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Linktree's co-founders Alex Zaccaria, Anthony Zaccaria and Nick Humphreys plan to expand the company's global team with their Series A funding round raising \$15 million. Linktree was first to market in the "all-in-one linking" space in 2016.

Social media start-up taps global investors

Exclusive

Natasha Gillezeau

Linktree, an Australian start-up that lets the famous, the worthy and the influencers link all their internet accounts in one convenient stack, has banked a big first funding round after clocking up more than 3 million new users in the past year.

The company, co-founded by brothers Alex and Anthony Zaccaria alongside their friend Nick Humphreys in 2016, has raised \$US10.7 million (\$15 million) in a Series A funding round, led by New York-based Insight Partners, an investor in Shopify, and leading Australian VC firm AirTree Ventures.

Linktree's founders created the platform as a side hustle to their digital agency Bolster in 2016, to solve their clients' problems finding a quick way of funneling their social media followers towards different parts of their internet presence.

Linktree chief executive Alex Zaccaria said building the digital product incrementally over recent years had allowed it to build users' trust and generate word of mouth success. "A lot of people would say 'build it with scale from the start', but I think

the way we went about building it made us focus so much on the product," Mr Zaccaria said.

"We added bit by bit, solved problems and really tested it, rather than trying to move too quickly and use marketing to drive growth in a way that wouldn't have been sustainable."

Today, Linktree has become a feature of choice in the Instagram bios of everyone from singer Selena Gomez to the Sydney Dance Company, for aggregating various web links, e-commerce stores and social media platforms in one location.

The company has both a free version and \$6 a month Pro version. From a practical standpoint, a linktree stack better enables anyone with an internet presence and social media audience to channel that digital love into paying customers.

Linktree was first to market in the "all-in-one linking" space back in 2016, but myriad competitors have since cropped up including Campsite and Swipop.

Like other operators in the online economy, the COVID-19 era has seen Linktree grow notably, increasing from 12 employees pre-pandemic to a distributed global workforce of about 50. About half its employees are software engineers.

One of these employees is Linktree's chief technology officer, Mitch Malone, who works out of a roaming caravan in Dubbo. Mr Zaccaria said Mr Malone's experience in effectively living and managing that remote workforce lifestyle would be integral to the company's next phase of growing its headcount.

"We'll be setting up teams and bases around the world given we're so global - 99.5 per cent of our users are outside Australia, so that's definitely necessary. But still really looking to continue to build out our core here in Australia," Mr Zaccaria said.

AirTree Ventures general partner John Henderson said his fund had been in talks with Linktree's founders for almost a year before closing this investment. Mr Henderson said he liked the fact Linktree was founded off the back of solving a real world client issue, its potentially massive role in driving the next phase of a social media-led economy and Linktree's aesthetic simplicity.

"On its face, Linktree looks like a reasonably simple product, but I think the elegant simplicity of their product is intentional," Mr Henderson said. "They are really laser focused on a delightful user experience, which reveals a depth of functionality and integrations only at the point that the user needs them."

App lets Android phone be payments terminal

James Eyers

Australian payments technology firm Quest says its world-first app can turn all Android phones into payments terminals without additional hardware, and both local and global banks are considering distributing it to reduce costs for small retailers.

The app competes directly against the likes of Jack Dorsey's Square, without the need for plug-in hardware, and has received a green light from the global credit card schemes, including Visa and Mastercard, after rigorous security testing.

Quest's solution allows anyone with a merchant account to add an Android phone as a payments terminal and connect it with point-of-sale software.

It shows how Google is ahead of Apple in letting Android devices receive payments. Quest's app works with an iPhone, but through a card reader that needs to be synced via a Bluetooth connection. Square also requires hardware to be attached to phones by a jack or Bluetooth.

Turning smartphones directly into payments terminals presents a new, competitive pressure on banks, which have invested millions in their own card terminals, and which rent them to business customers for monthly fees. However, banks are also considering whether to promote cheaper, smartphone payments to keep small business costs low and help them recover from the economic crisis.

"We are in active discussions with domestic and global banks," Quest chief executive Jan Mason said.

She said Quest was leading a global race between five developers, which all need approval from the Payment Card Industry Security Standards Council, which represents the five largest global credit card companies.

The technology involves embedding

an EMV (Europay, MasterCard and Visa) kernel into a device, which allows a PIN to be securely entered on the phone screen.

The credit card schemes have created specifications for the process, and required Quest to submit to security lab testing to ensure the app cannot be broken. The app has been trialled with National Australia Bank and Visa and will work on any Android system, including Zebra devices used for stock-taking.

"It has not been an easy task, especially the PIN side of things," Ms Mason said. "The security within the device is the same as you would have on a payments terminal today."

Apple may also be exploring how iPhones can more easily accept payments after an initial focus, through Apple Pay, on allowing users to make them. In August it acquired Mobeewave, which had been working with Commonwealth Bank and Samsung to develop a hardware-less payments app.

It is understood all its trials have been put on hold since the Apple deal.

The banks have invested hundreds of millions of dollars in their own terminals - such as CBA's Albert - under stricter standards previously stipulated by the card schemes. Square played an influential role convincing the PCI Security Standards Council to allow it to capture PIN numbers directly on to smartphone glass in 2017.

Apple has been protective of allowing outside access to iPhone "near field communications" chips, which facilitate transactions. Ms Mason said Android was taking a more "open" approach, which might help Samsung sell more phones.

"This is an Australian first and an Australian company building a world-leading product that has a global capability and global reach."



Quest's app for Android phones has received a green light from credit card schemes including Visa and Mastercard, and the company is in discussions with banks.

More white-collar workers ditch stability for start-ups

Yolanda Redrup

Professionals with more than 15 years' experience in fields such as marketing, finance and consulting are ditching their corporate jobs in favour of starting their own business or joining a start-up.

Without any promotion or publicity, a new pilot program run by innovation hub and co-working space YBF Ventures and the Victorian government is almost full - more than 50 people have applied and 18 places in the 25-person program have been filled.

The Startup Immersion Program will be run by former PwC partner and head of disruption Kate Eriksson, who is simultaneously building her own health technology marketplace,

helloEd. It is also proving popular with professionals who were made redundant during the COVID-19 pandemic.

Ms Eriksson said she resigned from PwC this time last year, after having a business idea she "couldn't un-see".

Having taken the leap to go out on her own, she said she now wanted to help other professionals at the top of their game to take a chance on themselves and start their own business, or give them the skills to go back into the corporate world and create cultures that fostered innovation.

"Talent is being freed up now because a lot of corporates are not growing and people are looking for meaning and purpose," she said.

"We're targeting people with 15-20 years' experience in the program. It's

time we broke the stereotypes that start-ups fail and corporates can't innovate."

The interest in the start-up immersion program comes after Startmate's women-only fellowship received more than 600 applications this year.

The YBF program will run for six months, 12 weeks of which will be intensive.

As part of the program, the successful applicants will be placed with founders of a scale-up company to work with them at least three days a week for six to eight weeks.

Companies participating in the program include Tradeplus24 Australia, July, Mr Yum, Who Gives a Crap and Lucid Software.

"Innovation is the key to survival so

we love the idea of giving displaced professionals an insider experience working in a fast-growing start-up, with the view that they will eventually embark on their own entrepreneurial journey," Mr Yum co-founder Kerry Osborn said.

One applicant, Toby Kent, has had experience running start-ups, but most recently was chief resilience officer for the City of Melbourne and has previously been the head of sustainable development for ANZ Bank.

Mr Kent said he was in the early stages of working on his own ventures and he hoped this program would give him the time and skills to build his ideas further and launch a new business.

"They're still in the embryonic phases... so this is an opportunity to carve out a bit of space and do some

deeper research... and explore different avenues to take those businesses," he said. "Hopefully part of my value... is I'm pretty comfortable in both [corporate and start-up] settings. The reason that's important is many start-ups and emerging businesses still need to work well with corporates, who are often the customer."

Justin Lafcen, Lucid Software director of sales for the Asia-Pacific region, hoped the program would help Victorians who lost their jobs during the pandemic.

"We want to be involved in helping displaced professionals in Victoria to innovate and reskill because that energy will spur entrepreneurialism and help the process of rebuilding the economy."