

AppsVillage eyes ASX listing, in the hunt to become the Xero of SMB marketing

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Special Report: Israeli SaaS company AppsVillage targets a mid-year ASX listing following the completion of a strongly supported seed raise.

The raising was taken up by a number of high-net-worth investors active in the technology world.

A breakthrough solution for SMB marketing

AppsVillage has made big early strides with its software-as-a-service (SaaS) platform, which allows companies to create and market their own app in a fast and cost-effective manner.

Consider this statistic; mobile phones account for more than half the world's web traffic and around 90 per cent of this is driven through app usage rather than internet browsing.

In view of this statistic, a successful app-based strategy is essential for any business. When it comes to the execution, AppsVillage addresses two key problem areas for SMBs: costs and development know-how.

AppsVillage's SaaS platform allows businesses to create their own branded marketing app in less than a minute, enabling them to engage with current and new clients for a fraction of the cost and complexity.

Rather than a long app development process and incurring a large capital outlay, the development process is automated and up-front fees are low. Companies can get their own marketing app via a monthly or annual subscription model.

AppsVillage sees itself as the WIX (Israeli based, NASDAQ listed US\$7 billion) of the app world. Helping customers to quickly and easily create an essential business marketing tool that until now has been out of reach due to cost and time to develop.

Importantly, the company is already making money from an established customer base in the US and UK.

After booking over \$700,000 in 2018, revenues in Q1 2019 exceeded \$300,000. AppsVillage says that it is well on track to more than double annual revenue growth in the 2019 calendar year.

Applying the 'Xero model' to mobile marketing

Companies that successfully execute on a cloud-based SaaS model are gaining a clear advantage on the competition. One of the best examples is Xero, the accounting software platform that lets users manage their cashflow online.

"AppsVillage is an effective mobile marketing solution for small business in the same way that Xero benefits SMBs on the accounting side," says AppsVillage CEO, Max Bluvband.

The company offers a seamless approach to SMB online mobile marketing within a one-stop-shop platform.

"We're targeting the same customer base as Xero with a cost-effective model, easy to use platform that delivers efficiencies for SMB's mobile marketing," Bluvband says.

Utilising its SaaS platform means AppsVillage has low capital expenditure, allowing it to scale up quickly as the customer base grows.

Bluvband is confident that ASX investors will see the potential of AppsVillage's disruptive technology and its fast revenue growth, positioning the company to quickly gain market share in the multi-billion-dollar SMB market.

RM Corporate Finance's Nathan Barbarich raised the seed capital and will be leading the upcoming IPO. RMCF has been acting as corporate adviser to the company for some time now and has been active in the Israeli tech sector with some very successful listings already on the ASX.

"The ASX is an ideal destination to list the company given its support for emerging technology companies, and the significant success enjoyed by a number of Israeli based companies over recent years," says Bluvband.

"Furthermore, we think the timing is right to go public given we have a material revenue base that is on track to double in the current year," Bluvband added.