

The failure of 19 startups in Asia in 2015 and the start-up lessons 'bloody'

Starting a career is a marathon, not a sprint.

2015 is considered a "hot" year for startups in Asia. Venture capital flows constantly into countries like China, India and South Asia - something that has never happened before. Southeast Asia also saw a new record set up with the merger of the \$ 534 million **iProperty Group** .

However, this huge capital is not guaranteed for future success and it is the risk nature of startups when some companies can win but others may fail miserably.

Here are **19 startups in Asia that were forced to close down in 2015** and of course, this number is not only 19. Sure, the failure of these businesses will help you learn a lot of lessons. value.



China

1. eXiche

In 2015, China had to close 7 online-to-offline model business car wash services. Even in such a niche market, many people have joined to compete for the leading position and this is what makes the diversity of China's startup ecosystem.

The eXiche is probably the most spectacular failure of any of these companies. After mobilizing US \$ 20 million during the fund call phase A (Series A - financing when the company started selling and sponsoring production activities) in March, in October, this startup announced close the door.

Why did eXiche fail? **Burning money on cheap promotions for a service is essentially as cheap as washing a car**, obviously, this strategy is not sustainable.

India

2. DoneByNone

Although India has had a really successful year in e-commerce, however, some startups in this country cannot survive. One of them is **DoneByNone** - fashion brand for women online shopping. There have been many reports that the start-up company had trouble **satisfying customers** at the end of 2014. After that, one of the founders left the company and by the end of 2015, the main website final closed.

3. Lumos

Lumos is a startup in the smart home sector founded by a group of students who have just graduated. Building a hardware company is much more difficult than what they think: *"We have underestimated the creation of a product that the market already has, while overestimating the need and utility. My product "*, shared Lumos founders on the blog.



4. TalentPad

Even though it received the investment right from the start of the idea in October 2014 and recruited quite a number of talented employees, TalentPad was forced to close less than a year later.

This startup has built a unique online recruitment market - where companies can find top talent. However, they failed because **they could not expand their business in a market large enough**.

5. Dazo

In 2015, many food supply companies in India have encountered great difficulties. Some businesses try to attract investment and expand the market, while others have shown obvious downward signs of business. Dazo is one of those failures. This is the first food and delivery app in India, which has attracted a great deal of capital from well-known investors, including Google and Amazon. However, by 2015, Dazo had to close.

In an analysis of the collapse of food industry startups in India, the **Inc42** website emphasized: "*The rapid growth rate has shown the fact that sponsored companies have coins. directing money to attract customers without caring about creating a difference of the product*".

6. Valyoo Tech (Bagskart, Jewelskart, Watchkart)

Valyoo Tech operates e-commerce websites with high-end sales, including handbags (Bagskart), jewelry (Jewelskart), watches (Watchkart), eyeglasses and contact lenses (LensKart). Starting from the beginning of 2014, Bagskart, Jewelskart and Watchkart almost sell everything, while LensKart focuses on only one item that the web sells best. Therefore, until 2015, only LensKart is still active, and the rest of the websites are closed due to **no buyers**.



Indonesia

7. Kleora

Although the announcement of the shutdown, Kleora's founder insisted that his startup was not "dead" yet. Kleora failed because the items for women were too limited while the platform features needed major changes. The development team has made a strong and current breakthrough that has built a new product called Prelo, focusing on second-hand sales.

8. Beauty Treats

Beauty Treats is a startup that focuses on selling beauty care products, similar to **Lolabox** - a company that failed in 2014. To avoid falling into the same situation, Beauty Treats has provided eStore service - model Online sales in 2013 but failed.

Earlier this year, the company ceased operations and co-founder Romeo Reijman turned to developing an online pawn service called Pinjam.

9. Abraresto / Abratable

Abratable and Abraresto are restaurant booking and evaluation sites in Indonesia and Singapore. This start-up failure was due to **making some risky decisions**, including getting debt-based investments rather than taking venture capital, leading to the company having insufficient funds to operate.

10. Alikolo

Alikolo is an e-commerce website created by Danny Taniwan - a startup entrepreneur from Medan. When talking about his failure, Taniwan argued that it was due to his **inexperience**, **moving much of the stake to angel investors** - who had less experience in e-commerce than he did.



11. Valadoo

Valadoo is a website that offers tour packages to many locations in Indonesia. This website was officially closed in May 2015 **due to a focus on growth, ignoring the necessity of building a sustainable development model**. After that failed start, Valadoo merged with another company but the situation became more complicated. The M&A deal has made it impossible for the startup to recover and run out of cash and cannot mobilize a new round of capital during the transition period.

12. Paraplou

Paraplou is one of the prominent startups in e-commerce in Indonesia. However, in October 2015, Paraplou was officially closed due to being too immature in the market, financial conditions were uncertain and could not call for capital.

13. Kirim

Kirim is a delivery site that has been quietly closed after 7 years of operation. The company did not state the reason, but according to **Tech in Asia**, rivals such as Go-Jek or GrabBike developed too quickly, so Kirim could not keep up.

Israel

14. Everything.me

Everything.me is one of the notable failure cases in Asia in 2015. This startup has developed an additional feature application for Android phones, earning \$ 35 million and 15 million downloads. However, the company eventually decided to give up on the grounds that *"no suitable business model was found"* for its free application.

Singapore

15. KotaGames

The Kota Games gaming website launched in 2008 in Singapore was officially closed in March 2015. TMG - Kota Games' parent company said it was **unable to find a suitable business model** to adapt to the dramatic increase in the gaming trend on touch phones.

16. Lamido

Lamido is a member of **Rocket Internet** - a company with a lot of branches located in Southeast Asia. Although headquartered in Singapore - a thriving e-commerce market, Lamido could not win the competition from local businesses.

According to Maximilian Bittner - CEO of Lazada Group, Lamido dissolved but actually merged into Lazada.



17. Superdeals

Earlier this year, SingTel, Singapore's telecom company, announced the closure of its website that provides daily deals for **SuperDeals** . This is not surprising because **this business model has too much globally.**

18. Molome

Asians love to take photos and regularly post them on social networks. Molome wants to create an application that makes photos more fun by adding stickers and text to images. The founder once stated that this application has about 40,000 uses every day with about 15,000 photos posted.

However, all is not enough to compete with **Instagram** or **Snapchat** . In mid-October, the founders decided to deactivate with the following goodbye greetings: *"It's sad to tell you that Molo will" hibernate "since this winter. It's not cheap and without sponsors, we can't continue our journey. "*

Vietnam

19. Beyeu

According to **Tech in Asia** , the failure of **Beyeu** - an e-commerce website that sells children's products has made startups in this field feel quite pessimistic. Beyeu is supported by Project Lana - an Internet company in Vietnam and a large online community for women.

This technology page said that Beyeu's "departure" could be due **to intense competition from the market or lack of experience in e-commerce.**

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