How Western ed-tech startup Monkimun raised $1M, and how it plans to take on Asia

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Last week, US- and Spain-based mobile startup Monkimun told *Tech in Asia* that it had raised a US$1M funding round to bolster its language-learning apps. And although you might expect an American startup (and US-based 500 Startups participant) to be raising its funds principally from Silicon Valley, this round includes some interesting Asian investors: Singapore's Incuvest and Japan's SHOzemi Innovation Ventures. Why the interest from Asia? Therein lies a tale.

Origins of Monkimun

Monkimun co-founder Cristobal Viedma has been interested in education – and Asia – for a long time. Though originally from Spain, a few years ago Viedma found himself working in Singapore for video startup Viki. Though Viki wasn't focused on education, Viedma saw how the platform could be educational for many users, who were using it to translate and subtitle videos. "I thought that was a great thing," he said, "because it bridges communities, it bridges cultures." Having studied five languages himself, it was easy for Viedma to see the value in using online tools like Viki to bolster language-learning efforts.

After Viki – the company was acquired by Japan's Rakuten in 2013 – Viedma returned to Madrid, where his sister was working on setting up educational language-learning centers across Madrid. Viedma helped her set up one such center, and it was a success. "How do we scale this?" Viedma wondered. After his experience at Viki, one answer suggested itself: smartphones.


Monkimun's founders

So in January of 2014, Viedma and his sister/co-founder started work on a small prototype app. The goal: to make language learning fun and immersive for young children. At first it wasn't that serious – "just a side project," Viedma said – but after a few months and a few apps, it started to take off. Viedma decided it was time to get serious, so he hopped on a plane to Singapore and started talking to investors there. Quickly he got an offer for a seed round and began planning to base the company in Singapore. But then Viedma spoke to 500 Startups head (and Viki investor) Dave McClure, who recommended basing the startup in Silicon Valley to facilitate future fundraising, even though the company's biggest market was likely to be in Asia. Viedma agreed, and along with his co-founder he traveled to the US to participate in 500 Startups's summer batch.

Choosing a target

It was in the US that Monkimun finally fixated on a clear target: to create an adaptive mobile language-learning platform that gives kids a fun and immersive learning experience while also tracking their performance and adapting lesson difficulty on the fly. With that goal set, the company started fundraising for real. Monkimun looked in particular to educational institutions, and found Japan's SHOzemi Innovation Ventures. The venture offshoot of Japan's largest after-school education chain, SHOzemi Innovation Ventures was looking for ed-tech startups in the region to invest in. Monkimun, though it was legally based in the US, seemed like a good fit.

Viedma's connections in Asia are part of the reason that Monkimun has been able to attract Asian investors, but another is that the company's products have been very well-received here. Its adaptive learning platform isn't finished yet, but the company currently has five apps for learning English, Spanish, and Chinese, and Viedma says the demand in Asia has been impressive. The company has even localized its apps in a number of Asian languages to make life easier for Asia's young language learners. For example, Viedma says, its Chinese class app has been localized in Bahasa Indonesia and Thai, because the company knows learners in those markets are interested in Chinese.
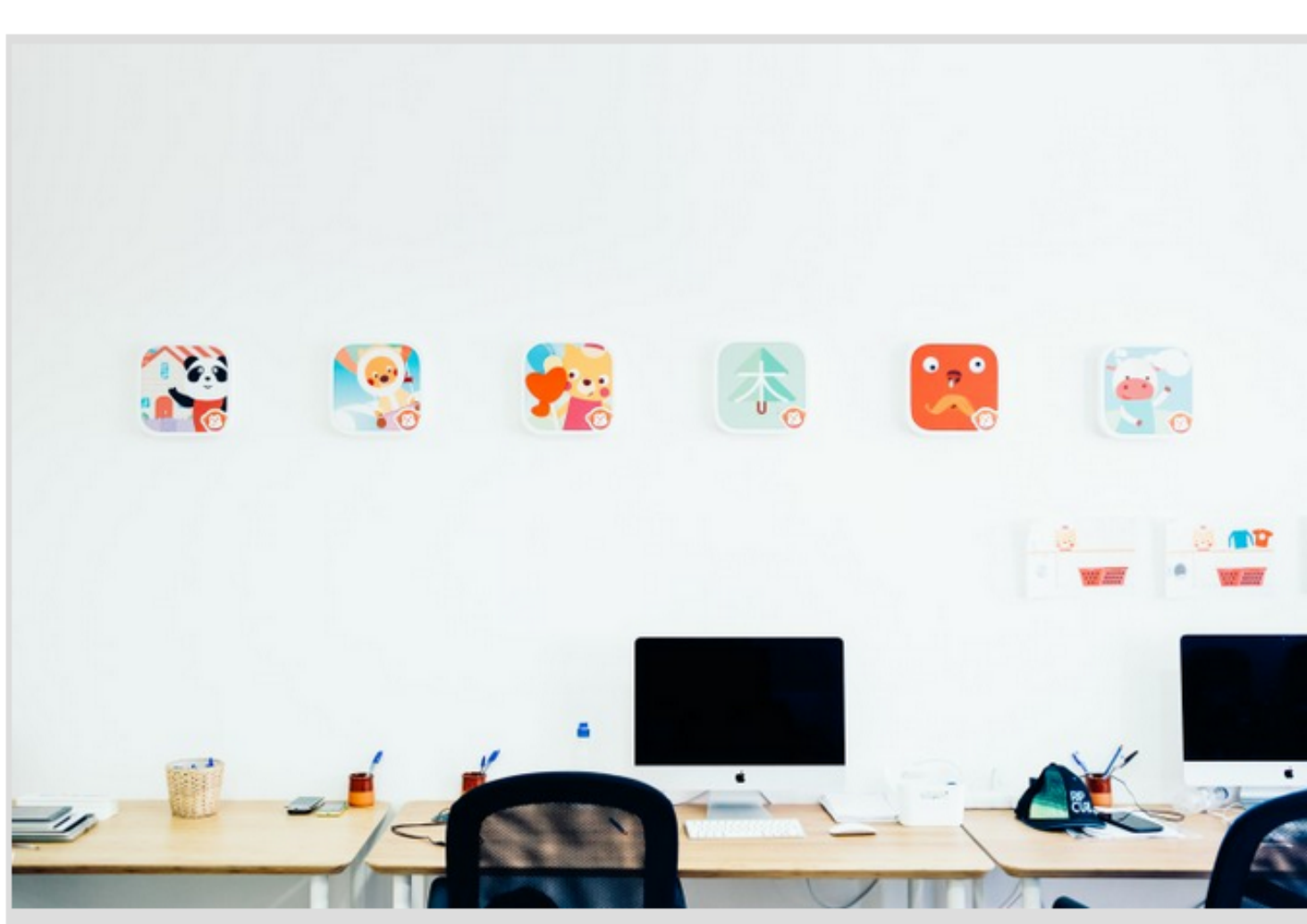
Monkimun's apps, up on the wall.

Gearing up for the future

The real test for Monkimun will come in June, though, when the company releases its subscription-based adaptive learning platform. Monkimun will keep making standalone apps, too, but Viedma made it clear that the platform is the company's primary objective. And although selling apps and subscriptions can be tough in Asia's freemium-focused market, Viedma is confident that Monkimun can break through. Asian parents are demonstrably willing to spend quite a bit on their kids' education, he pointed out. And the subscription-based model ensures that parents don't have to worry about their kids seeing inappropriate ads or accidentally spending thousands in in-app purchases.

Of course, there's also no shortage of competitors for Monkimun in the language-learning app space, but Viedma thinks his company can beat the competition with better depth and higher quality. The depth comes with the amount of content – rather than creating one-off apps that only teach a few words and phrases, Monkimun is working towards a platform that has dozens of lessons in a variety of fun games and activities for kids to work through. The quality comes from testing; Viedma says that Monkimun tests with children every Friday. This is "super important," he says, because it can be hard to anticipate how young children will respond to a game. "It's tough to do," Viedma says of testing, "but I'm very happy we're doing it because it's one of the things that differentiates us with other companies. If you don't test with children, it doesn't work."

With US$1 million in the war chest and a few months before the release of the adaptive learning platform, Viedma and Monkimun are excited about the future. There's plenty of competition out there already, but early signs suggest that Monkimun's focus on depth and quality is already paying off: the company's apps have won a number of awards already.

Monkimun's apps are available on Android and iOS via the company's website.