Brilliant ideas from students help sell rubbish chute

Since the UOB-SMU Entrepreneurship Alliance Centre was set up in 2005, 35 small-medium enterprises have benefitted. Some 111 SMU students are part of the alliance and have helped complete 42 consulting projects.

20 years ago, overwhelmed by the smell from the rubbish chute in his apartment, Mr Chen Guo An (hanyu pinyin) developed a way to keep chute covers firmly in place using a pneumatic-magnetic gasket. It prevented smells to emanate from the chutes or cockroaches to crawl out of it into homes.

The successful invention led to the set up of Maxden in 1999. As the business grew, Chen heard about the UOB-SMU Entrepreneurship Alliance Centre and in June last year, approached it for advice on some marketing and pricing issues that he faced. The Centre assigned him a group of students to conduct market research for his product.

Based on their research, the students recommended Chen not to raise product price but instead try to increase sales and distribution of the product. Besides regular press ads, they also suggested he tap onto online forums and also establish an online presence with a product website.

Since Chen adopted their suggestions, monthly sales of his product increased by 50% or sometimes even doubled.

Chen and his partners became overwhelmed as business grew. In January this year, he again approached the Centre for support. The student group assigned to him advised him to expand the business and recommended a business structure for the company, from hiring of an accountant, customer service personnel, to having a warehouse space and hiring sufficient manpower and vehicles to help transport the goods.

Chen is still implementing the expansion plans but he said that the students' suggestions were very effective. Since he became part of the Centre's programme, sales had increased and even exceeded targets.

The centre has completed 42 consulting projects, with 8 in the pipeline. 60% of the projects deal with sales, while manpower research and business plans implementation each cover 10%. The remaining 20% projects are in the areas of branding and operations management. The SMU student consultants are supervised by SMU faculty and also collaborate closely with business leaders including CEOs and local entrepreneurs.

Under the Centre's consulting programme, most businesses enjoy between 70-90% of subsidises for the consulting or research projects undertaken by the Centre, which is much more affordable than the tens of thousands of dollars charged by professional research companies.