

BORN COMPETITIVE: LUCY YUETING LIU

21 December 2017 | Alumni Insights

On Business Insider's list of the top 25 youngest entrepreneurs in the fintech space, just four women make the cut. Three of them are in fashion, and one of those is Kim Kardashian.

We recently had the pleasure of talking with HSF alumnus and current board member of FinTech Australia, Lucy Yueting Liu. Yueting Liu is one of the co-founders of Airwallex, a cross-border payments start-up currently undergoing a rapid global expansion.

What do Google, Facebook, Tumblr, Spotify, Airbnb, Dropbox and Instagram have in common?

Well, apart from being some of the most famous company names on the internet as well as the most valuable start-ups on earth, they were also all founded by entrepreneurs in their 20s.

But even in a world where such precociousness is now the norm, female faces are still unusual. And rarer still once you enter the fintech space. On Business Insider's list of the top 25 youngest entrepreneurs in this space, just four women make the cut. Three of them are in fashion, and one of those is Kim Kardashian.

The fourth is the formidable Alexa von Tobel, who at 22 founded LearnVest, a start-up offering financial tools and services for women.

But it looks like the field is finally expanding. Still only in her mid 20s, Lucy Yueting Liu is one of the co-founders of Airwallex, a cross-border payments start-up currently undergoing a rapid global expansion.

The company was the brainchild of a group of five friends and associates who "saw a gap between the regional local banks and the international, institutional banks and wanted to help businesses expand globally with better FX and payment accountabilities," explains Lucy.

At its most basic Airwallex is a platform that combines low-cost foreign exchange with payments technologies.



The idea germinated when Jack Zhang, one of the other co-founders, was running a café that required importing products from China. It soon became apparent that the FX spread on payments was unreasonable. “They were making international payments through China, so the FX spread on that payment was about four or five percent. For \$15,000 they were paying \$700,” says Lucy, adding that financiers working in wholesale and investment banking wouldn’t really realise how big retail spreads are. “Basically 0.01 percent compared to four percent.”

The Airwallex co-founders, most with a range of software engineering backgrounds, knew they could do better.

And Lucy didn’t hesitate to sign up. Then in investment banking herself, mainly in equities and fixed assets, she admits that her working life had become a little... “I wouldn’t say boring,” she says, “but I felt unchallenged and I’m always motivated to do new things. I’d always wanted to do a start-up, even though at that time I probably didn’t have the exact image of what a start-up was like.”

The answer was “like starting a garage band together,” she says, with the group renting a small office, and having a business plan, but “really not actually knowing what we were doing”. Despite Australia not being the ideal location in the beginning, with the market being too small for what they needed, the company still prospered. “With the market evolving, there are more payment players,” Lucy says. “We like to think we’re more tech than fin. It just happens we’re solving financial services problems with technology.”

It makes sense then that when asked to nominate the most interesting growth areas for her industry, Lucy picks three that straddle both elements. Digital payments (especially cross-border payment rails), regtech, and bank and fintech partnerships are her three picks.

Airwallex now has 60 staff, about 35 in Melbourne, 20 in Shanghai and three in London.

Her role has evolved with the industry, and she has found her sales and training background useful. In the early days she confesses she found it very intimidating to interview people who had much more industry experience than her. "It would become an issue when dealing with very traditional clients or partners. Even though I handed out my card, it would always be, 'Next time, can I talk to your boss?'"

But Lucy says such attitudes depend on where you do business. "In investment banking, it used to definitely be full of men, but this was due to many reasons..."

Before she can be accused of harbouring some old-fashioned gender ideas, she elaborates. "I definitely think there should be equality between men and women," she says, before adding that she didn't even feel any difference until people started asking her what it was like to be a woman in a male dominated space. "I'm sure it affects people in general, but I think I don't personally care about it that much."

Born in China, and moving to New Zealand at 12, Lucy gained her Master of Finance at Melbourne University. Her supportive parents moved to Australia with her. "STEM in China is actually full of girls," she says. "That's something culturally different. And I tend to tell people Chinese are just born competitive and once that comes in it doesn't matter if you're a boy or a girl."

That competitiveness plays out externally as well as internally. Aside from her role with Airwallex and her increasing visibility on fintech panels and status as a Forbes Asia '30 Under 30', she's also on the board of FinTech Australia, though she notes her extensive travel means she's not as active there as she'd like to be.

First and foremost her loyalty is to Airwallex. "I wouldn't call it a success yet. We're well-funded because we just happen to be in the space that our investors are looking to invest in.

"We're very results-driven and that's the culture we try to build." Lucy emphasises that hiring great staff is half the battle, but she always has to be seen to be putting in more.

"The energy level is never going to be as much as that of the founders because the company is the founders' baby. Employees are at best cousins, and uncles and aunts. They still love the baby but it's not theirs."