

# MARKET OPPORTUNITY

## ASEAN



INFORMATION &  
COMMUNICATION  
TECHNOLOGIES

### OVERVIEW

- Expected to be the world's 4<sup>th</sup> largest economy by 2050.
- Number of households with discretionary income will double to 125 million by 2025. People in the middle and affluent classes will double to 400 million by 2020.
- Overall, high level of technologically-savvy consumers. High mobile penetration of 124% and internet penetration of 40% across the region.
- Tremendous growth opportunities in less technologically-developed countries such as Indonesia and the Philippines, whose current internet penetration is at 17% and 46% respectively.

### Key Trends and Opportunities for EU Companies

1.	Changes in lifestyle and living standards are expected to result in more sophisticated consumers who demand more advanced and reliable networks.
2.	Countries such as Singapore and Malaysia have taken the lead in increasing access to market in a bid to enhance market competitiveness.
3.	A literate population of more than 600 million. 40% of citizens are under the age of 30 and are digital natives.
4.	ASEAN consumers are increasingly moving online. Mobile penetration is at 110 percent and Internet penetration at 25 percent across the region.
5.	ASEAN digital economy generated €140 billion annual revenues in 2015. Major trends in the digital economy, such as the rise of multiple screen environments, social networking, growth in big data and augmented reality, personalised advertising, and the rise of the Cloud, will drive a CAGR of 50 to 60% in data traffic in the future.

### Sector Characteristics

- Not a monolithic market.** ASEAN is made up of highly diverse economies. The standard deviation in average incomes among ASEAN countries is more than seven times that of EU member states. The region is becoming further integrated, but a one-size-fits-all strategy may not necessarily fit.
- Phenomenal growth in the ICT sector.** Governments across the region invested over €90 billion in ICT in 2014. This is now increasing by 14% annually.
- The region is expected to be in the top 5 digital economies by 2025.** Growth of the digital economy will add \$1 trillion to ASEAN's GDP over the next 10 years.
- ASEAN is home to 227 of the world's companies with more than €1 billion in revenues (3% of the global total).** Singapore ranks 5<sup>th</sup> in the world for corporate headquarters density and first for foreign subsidiaries.



- Population:**  
622 million
- GDP per capita:**  
€3,762.85

 **3<sup>rd</sup> Largest Population**  
622 million people

 **7<sup>th</sup> Largest Economy**  
€ 2.5 trillion GDP

 **€ 136 billion**  
Digital economy's revenue

#### Sources

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# MARKET OPPORTUNITY

## Singapore



INFORMATION & COMMUNICATION TECHNOLOGIES

### OVERVIEW

- Singapore's Information & Communication Technology industry is a key pillar of its economy. The ICT industry grew by a CAGR of 15.7% per annum from 2009 to 2014 to reach €110.3 billion in 2014 and continues to exhibit strong growth potential.<sup>1</sup>
- Singapore has positioned itself as an ICT hub; it is a regional base for known multinationals such as Microsoft, Oracle, Amazon Web, Google, Twitter as well as various other international technology startup companies.

- The Info Communications Media Development Authority of Singapore (IMDA) and the Government Technology Agency (GovTech) are leading the government's push to transform Singapore into a Smart Nation.
- The Monetary Authority of Singapore (MAS) is investing heavily towards positioning Singapore as a Smart Financial Centre.<sup>2</sup>
- Singapore has consistently performed well in ICT rankings, placing first in the World Economic Forum Global Information Technology Report in both 2015 and 2016.<sup>3</sup>

### Key Business Opportunities

1. **Companies that develop digital content, build apps for mobile services and location-based services, design and implement security infrastructure and offer cloud computing and business analytics** can leverage on Singapore's Smart Nation policy infrastructure.
2. **Companies with cyber security technologies and services** can benefit from the increased investment in cyber security as the Singapore business ecosystem continues its progress on digitisation.<sup>4</sup>
3. Companies offering technologies or solutions that **increase productivity and transform business processes** in the following priority sectors where ICT initiatives have taken root: **education, healthcare, manufacturing, tourism, hospitality and finance.**
4. **Companies with financial technologies (FinTech) solutions and services.** Singapore is positioning itself as a global FinTech hub, and in November 2016 will see launch the world's largest FinTech hub.
5. Companies with products, technologies and solutions in the following areas that underscore Singapore's ICT development over the next three to five years: **big data, cloud computing, cyber security, internet of things, ICT and sustainability, communications of the future, social media, new digital economy and user interfaces.**

### Key Sub-sectors

1.	Telecommunications Services
2.	Content Services
3.	Software
4.	IT Services

### Key Players

	Singtel has played a pivotal role in Singapore's development as a communications hub with more than 130 years of operating experience.
	CrimsonLogic is a key partner of the Singapore Government in implementing world-class eGovernment solutions.
	ST Electronics specialises in the design, development and integration of advanced electronics and communications systems, marketing its solutions to more than 100 countries worldwide.



- **Country:** Singapore
- **Capital City:** Singapore
- **Population:** 5.5 million (2015 est.)
- **GDP per capita:** €49,871 (2013 est.)
- **Currency:** Singapore Dollar (SGD)
- **Official Languages:** English, Malay, Tamil, Standard Mandarin

#### Sources:

1. Infocomm Development Authority of Singapore. (2015). *Annual Survey on Infocomm Industry for 2014*. Retrieved from <https://www.imda.gov.sg/industry-development/facts-and-figures/survey-reports>.
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4. PwC Singapore. (2016). *Global State of Information Security Survey 2017 Singapore Highlights*. Retrieved from <http://www.pwc.com/sq/en/publications/global-state-of-information-security-survey-2017.html>.

# MARKET OPPORTUNITY

## Thailand



INFORMATION &  
COMMUNICATION  
TECHNOLOGIES

### OVERVIEW

- Thailand is the second largest buyer of ICT products and services in the ASEAN region. It is geared for future growth through increased consumption and urbanisation, as well as a growing middle class.
- Thailand is a Fast Grower Market in South-East Asia with 84.8M mobile connections.
- Thailand is a gateway to the Cambodia, Laos and Vietnam emerging markets.
- The government's new Digital Economy Policy will be a key driver of ICT growth. Strategies for the new Digital Economy include initiatives for national broadband, data centre, international gateway, online e-learning for 15,000 schools, and government e-services.

### Key Business Opportunities

- ICT companies with solutions for the telecommunications, banking and government sectors.**  
ICT expenditure is on the rise particularly in these industries. The tech start-up industry topped €76.9M in 2015.
- Companies with technologies and solutions geared towards facilitating the transition to a digital economy.** The government's Digital Economy Policy and its Five Platform Approach to boost ICT consumption includes: hard and soft infrastructure, service infrastructure, digital economy promotion, and digital society. The plan also includes support for pilot projects and a national start-up club coordinating with 43 universities across Thailand to facilitate the shift to the digital era.
- Companies offering third platform technologies such as cloud services and big data analytics,** these being recent additions to the market.
- Companies offering products, technologies and solutions for internet banking and mobile banking** to accommodate steadily rising demand in these areas. Thailand is a gateway to the region's emerging markets with increasing number of 3G users and mobile device sales.

### Key Sub-sectors

1.	e-Commerce
2.	Mobile Devices
3.	Security and Cyber Security
4.	Cloud and Big Data
5.	Government e-Services

### Key Players



TOT Public Company Limited is a Thai state-owned telecommunications company offering connectivity services as well various online services



CAT Telecom Public Company Limited is the state-owned company that runs Thailand's international telecommunications infrastructure



Total Access Communication Public Company Limited (DTAC) is the 2nd largest GSM mobile phone provider in Thailand (after AIS)



Advanced Info Service Public Company Limited (AIS) is Thailand's largest GSM mobile phone operator



True Corporation Public Company Limited (TRUE) is a communication conglomerate in Thailand



Funded by  
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