

2020 Digital Megatrends

Megatrend #1

The rise of super apps

Our findings show that more than half of Singaporeans are currently using super apps, with a third keen on trying them in the next year.

By offering transactional capabilities across multiple needs and services within a single app, brands can offer their customers a seamless experience while retaining their competitive edge over other players in the market.



Willing to use

35%

32% Below 35 years old

37% 35 to 55 years old

39% 56 years old and above

Usage and willingness to use super apps

12% Not willing to use

Base: 1,007 (total)

Current users

53%

61% Below 35 years old

51% 35 to 55 years old

30% 56 years old and above

TOP 5 Currently used super app features



82% Transportation



69% Food



41% Delivery



39% Digital wallet



20% Messaging

Base: 537 (all current users of super apps)

88% of Singaporean consumers are keen to try new super app features

TOP 5 Super app features to try in the next year



40% Tickets



37% Hotels



37% Food



36% Delivery



32% Transport

Base: 886 (all current users and those intending to use super apps)

Megatrend #2

A future enabled by voice

Singaporeans are eager to adopt intelligent virtual assistants (IVAs), such as Siri, Alexa, and Cortana, with 62% looking to purchase an IVA device.

From our study, we see that industries, ranging from home automation to healthcare and banking, should get ready to capitalize on this trend.

66% of Singaporeans are using IVAs

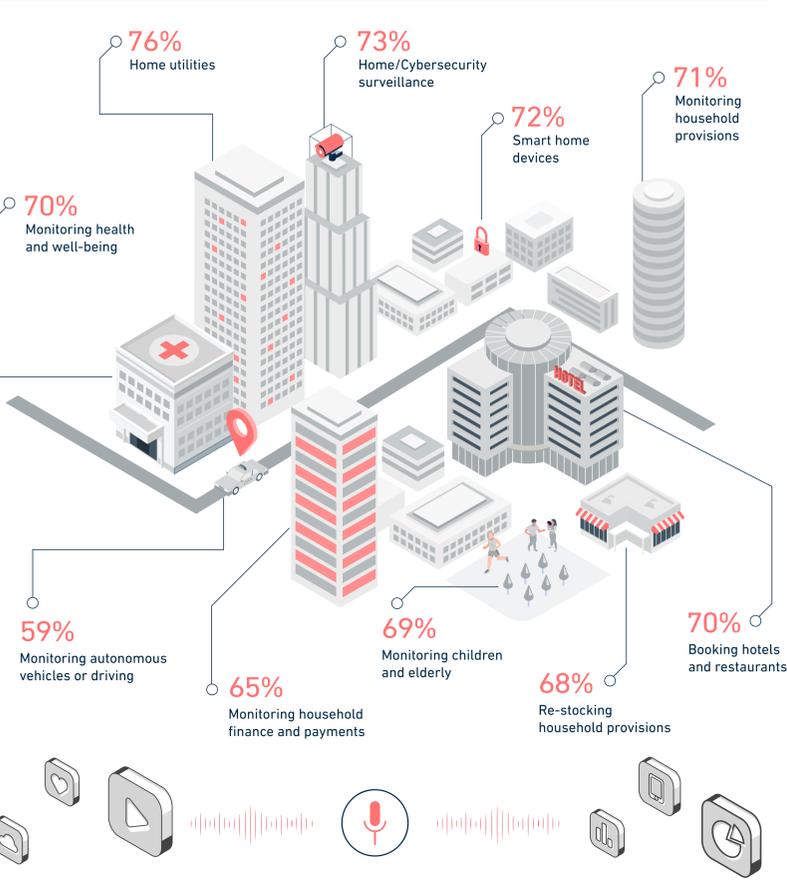
Base: 414 (those who are aware of IVAs)

62% willing to purchase an IVA device

Base: 923 (non-users of IVA devices)



Singaporeans find IVAs helpful in ...



Megatrend #3

Consumer experience will be at the epicenter of business transformation

Building customer loyalty is essential to maintaining brand competitiveness. Our study highlights that three in four consumers would switch brands after a bad experience. Experience has become such a focal point for consumers that two in three are willing to pay a premium for superior customer experience.

Out of the 11 industries rated for their service expectations and actual experience, consumers indicated that none had managed to match or exceed their expected service level.

Singaporean consumers' interaction with brands



78%

Would abandon a brand as soon as they have a bad experience



60%

Willing to pay more to receive a better customer experience

Base: 1,007 (total)



Megatrend #4

Frictionless experience is set to move to the forefront of the customer experience strategy

Singaporean consumers want the ability to shop seamlessly and expect retailers to provide a unified commerce experience. 78% of shopping journeys begin with online browsing, and it shifts between online and offline channels.

Businesses need to harness the power of big data to understand customer preferences that can enable them to deliver a seamless customer journey across multiple touchpoints. In particular, consumers expect a seamless experience from the banking (46%), travel and hospitality (34%), and food and beverage (33%) sectors.



Categories where a unified commerce approach is desired



Megatrend #5

Singaporean consumers are willing to share personal data in exchange for personalization

More than half of Singaporean consumers are willing to share their personal data in return for a degree of personalization.

Although consumers are willing to provide their personal information, protection and security remain a concern.



52%

would trade personal data for personalized services



60%

Below 35 years old



35%

35 to 45 years old



43%

46 years old and above

Base: 1,007 (total)

TOP 5 Expectations for sharing personal data



45%

Discounts on products or services most commonly used



39%

Lower prices for ideal conduct, e.g. receive incentives or rebates for tracked positive behavior, such as frequent exercise



32%

Faster, easier services



32%

Offers and perks based on current location



32%

Priority service

Base: 1,007 (total)

Megatrend #6

New technologies will accelerate change in the digital payment space

Consumers in Singapore are eager to explore more efficient payment methods, such as wearables, voice-activated payment, and social commerce platforms. These new technologies will play a crucial role in driving the growth of digital payment.

Retailers need to rethink their payment process to create a seamless experience for consumers, while payment providers should evaluate the trade off between a simplified user experience and security.

Four areas of growth in digital payment



34% | **14%**

Voice-activated payment e.g. Amazon Pay via Alexa



32% | **28%**

Social commerce e.g. WeChat, Alipay



32% | **31%**

Wearables e.g. smartwatches, rings



19% | **60%**

Mobile wallets e.g. Apple Pay, Alipay, GrabPay, Singtel Dash

Challenges for digital payment

35% Lack of consumer trust
Consumers find it hard to trust new payment methods with their personal details

35% Lack of market acceptance
Consumers tend not to use new payment methods unless there is wide market acceptance

32% Lack of retailers' implementation
Consumers are reluctant to adopt payment methods that are not widely used by retailers

30% Lack of choice clarity
Range of new payment methods available is a source of consumer confusion



34% | **14%**



32% | **28%**



32% | **31%**



19% | **60%**

■ % of Singaporeans that want to use in the next year

■ % of Singaporeans who are current users

Base: 1,007 (total)

Base: 1,007 (total)

