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# e-Conomy SEA 2024

Profits on the rise, harnessing SEA's advantage





# Singapore





# Country overview

## More inclusive policies and skills development programmes

Amidst easing inflation and a positive overall economic outlook, the government is implementing leading-edge, inclusive programmes to navigate global headwinds and propel the digital economy. These include initiatives such as the National Digital Literacy Programme and the TechSkills Accelerator. Furthermore, the recently enacted Platform Workers Act represents a significant stride towards greater protection and inclusivity within the digital economy.

## AI innovations take centre stage in Singapore's thriving tourism scene

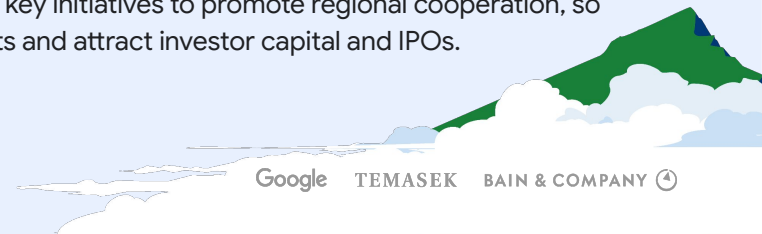
Singapore's tourism industry is experiencing a remarkable surge in 2024, propelled by excellent global flight connectivity, strategic tourism marketing campaigns, and exciting new attractions. AI is playing a key role, powering chatbots that offer personalised recommendations, analysing visitor data to optimise marketing strategies, and enhancing visitor experiences through interactive exhibits and bespoke guides.

## Enduring appeal to investors and capital inflow

Singapore continues to be a highly attractive destination for foreign investment, due to its stable political environment, robust infrastructure, and pro-business policies. Initiatives such as the Global Investor Programme and tax incentives offered by the Economic Development Board play a key role in attracting substantial foreign capital. Furthermore, Variable Capital Company (VCC) 2.0 is proving effective in attracting investment funds and family offices.

## Singapore continues to be a tech and fundraising hub as SGX takes steps to improve the exit environment

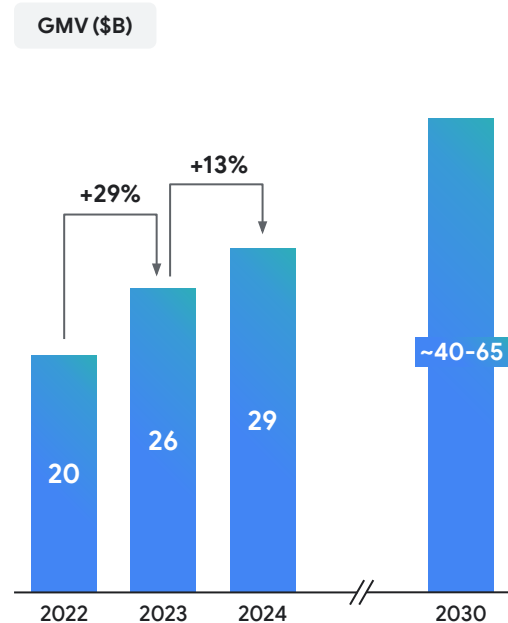
Singapore remains a central hub for venture capital and private equity, bolstered by its status as the regional headquarters for many major technology companies. The presence of these industry giants cultivates a strong talent pool, fosters innovation, and attracts further investment. To maintain the country's competitive edge, SGX has implemented key initiatives to promote regional cooperation, so as to improve exits and attract investor capital and IPOs.



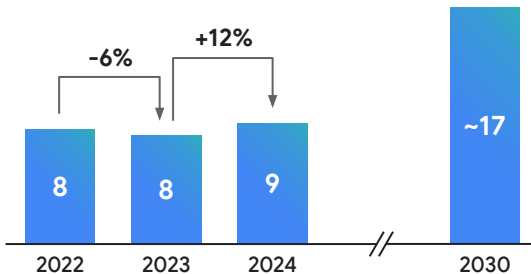


# E-commerce rebounds, as travel continues on a growth trajectory

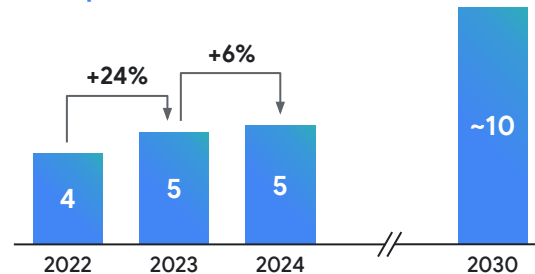
## Overall digital economy



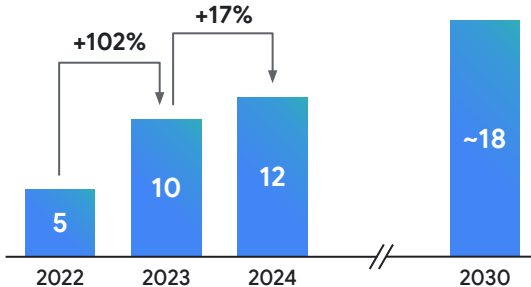
## E-commerce



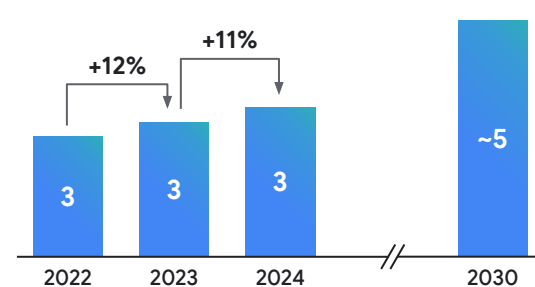
## Transport and food



## Online travel



## Online media



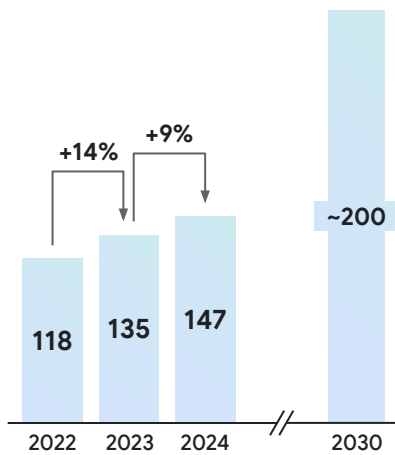
Note: Only OTAs are included in "Travel".  
Source: Bain analysis



# Digital payments and wealth are projected to lead strong growth in DFS

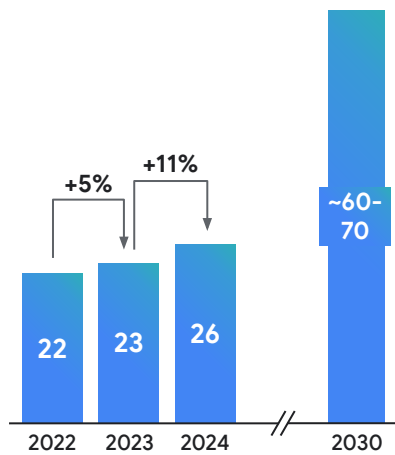
## Digital payments

GTV<sup>1</sup> (\$B)



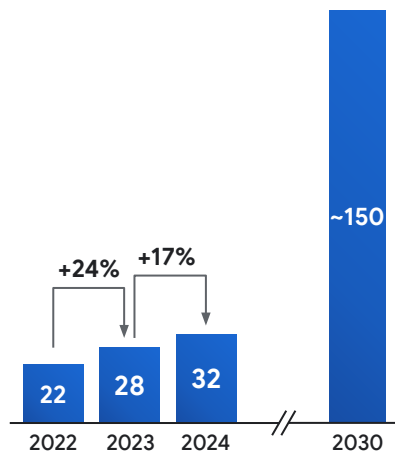
## Digital lending

Loan book balance<sup>2</sup> (\$B)



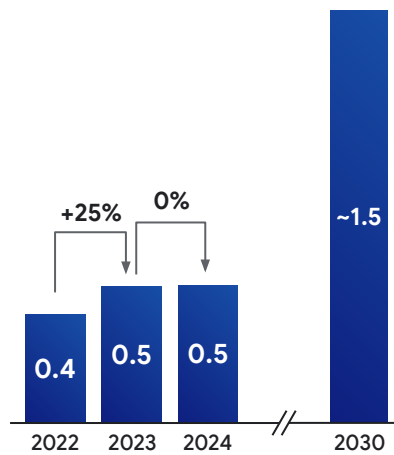
## Digital wealth

AUM<sup>3</sup> (\$B)



## Digital insurance

APE & GWP<sup>4</sup> (\$B)

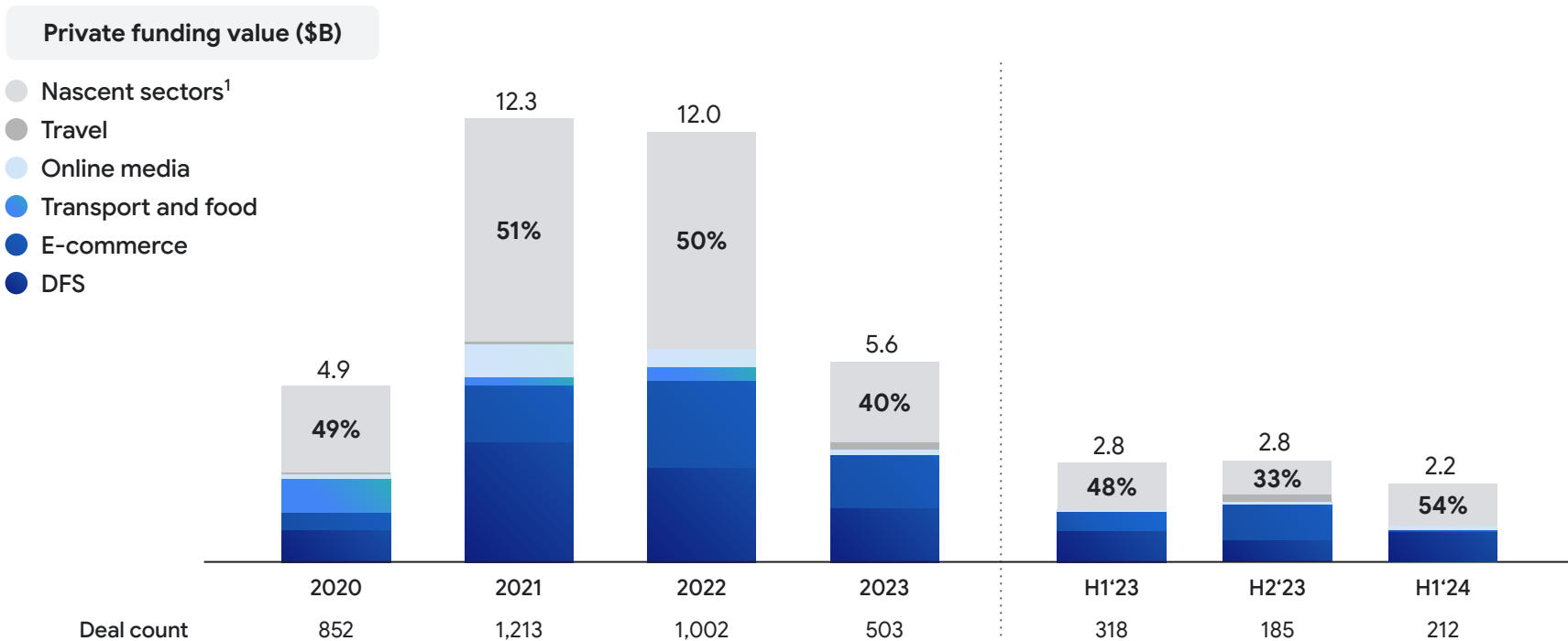


Notes: 1) Gross transaction value (GTV) for digital payments includes the value of credit, debit, prepaid card, account-to-account (A2A), and e-wallet transactions. 2) Loan book balance for digital lending includes end-of-year balance for consumer loans (excluding credit card and mortgage) and small/medium enterprise (SME) loans. 3) Assets under management (AUM) for digital wealth includes end-of-year mutual fund AUM balance. 4) Annual premium equivalent (APE) and gross written premium (GWP) for digital insurance includes APE for life insurance and health under life insurance policies and GWP for non-life insurance.

Source: Bain analysis



# DFS dominates in H1 2024 as overall funding declines



Note: 1) Nascent sectors include new, emerging sectors such as software and services, sustainability technology, Web3, and others.  
 Source: Bain analysis



# High level of interest in and adoption of AI, complemented by government initiatives and a thriving tech ecosystem

## Top industries driving AI search interest<sup>1</sup>

**#1**

Education

**#2**

Travel

**#3**

Marketing

**#4**

Gaming

**#5**

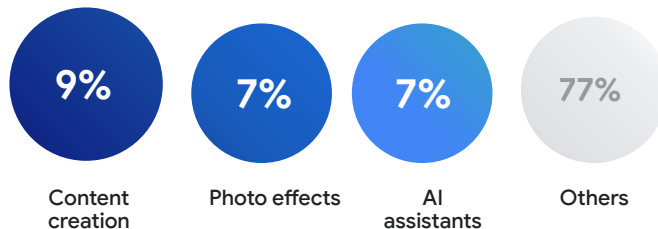
Healthcare

**#6**

Automotive

## Mobile app download share by AI feature

*Not to scale*



Notes: 1) Indexed interest per capita. Top industries driving AI search interest refers to AI-related search topics that are relevant to the respective industries.

Sources: Google internal data, SG, 01-08/2024; Euromonitor Population; data.ai, SG, 01-08/2024

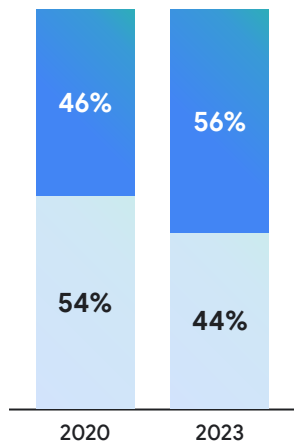


# English dominates consumer searches and creator content in multilingual Singapore

## Consumer trends<sup>1</sup>

### Category exploration<sup>2</sup>

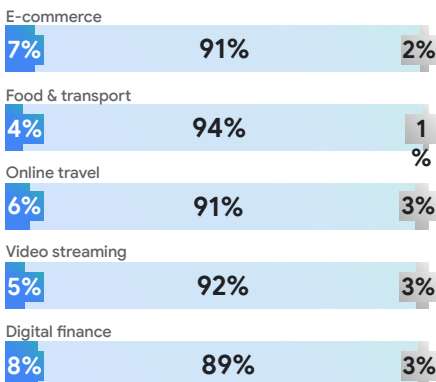
- Non-branded, broad
- Brand-specific



### Local language usage<sup>3</sup>

# 98%

- Chinese, Malay, Tamil
- English
- Others



## Creator economy<sup>4</sup>

### Brand creators<sup>5</sup> **+8%**

2Y CAGR of the number of brands with video channels in consumer categories

### Video influencers<sup>6</sup> **+18%**

2Y CAGR of the number of video influencers focusing on consumer categories

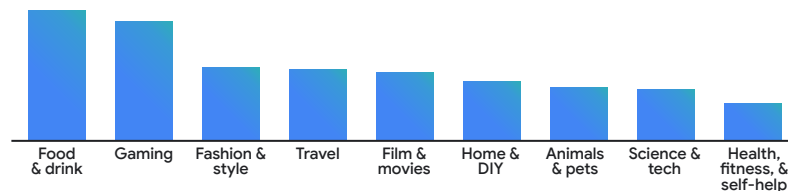
### Uploads **+19%**

2Y CAGR of the number of video uploads

### Language<sup>7</sup> **69%**

of video creators create content primarily in English

### Number of creators by consumer category<sup>7</sup> (Indexed)



Notes: 1) All data reflect searches across SG, and across digital economy sectors unless otherwise stated. 2) "Category exploration" refers to non-branded searches using broad terms vs brand specific searches, expressed as a percentage of all searches. Data from 01/2020 to 12/2023. 3) "Local language usage" refers to searches in the national language(s), expressed as a percentage of all searches. Data from 01/2023 to 12/2023. 4) Comparisons are between Q2'22 and Q2'24, for video creators in SG with more than 10,000 followers. 5) Brand creators are organisations whose primary line of business is not related to media. 6) Video influencers are video creators who are persons and public figures with significant social presence. 7) As of Q2'24.

Source: 1) Google internal data, SG, 01/2020-12/2023. 4) Tubular, SG, Q2'22 vs Q2'24

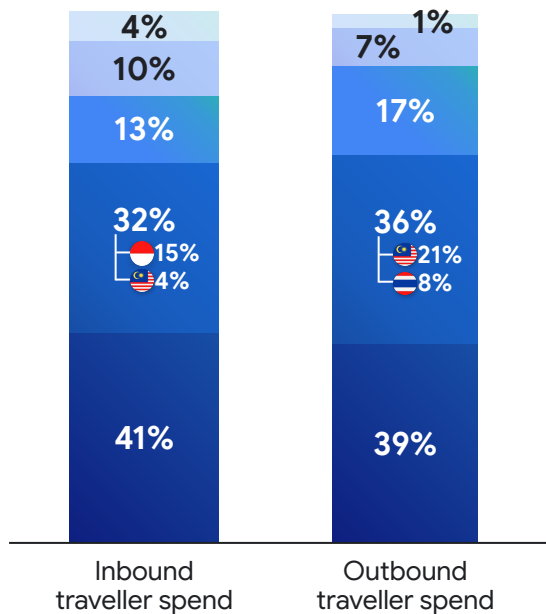




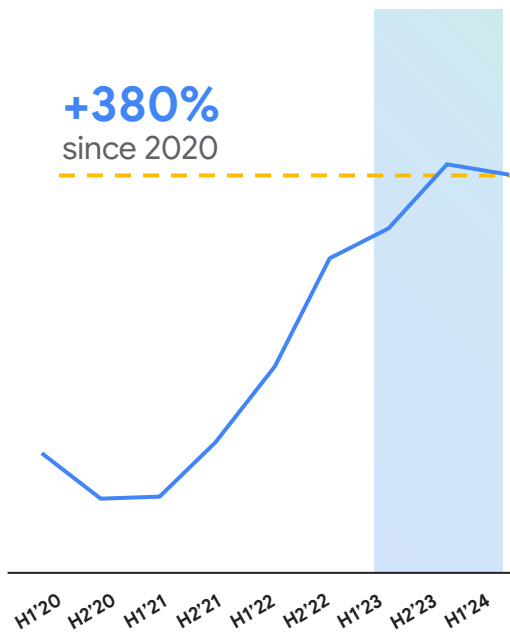
# Mirrored distribution of inbound and outbound travel spend

### Traveller spend

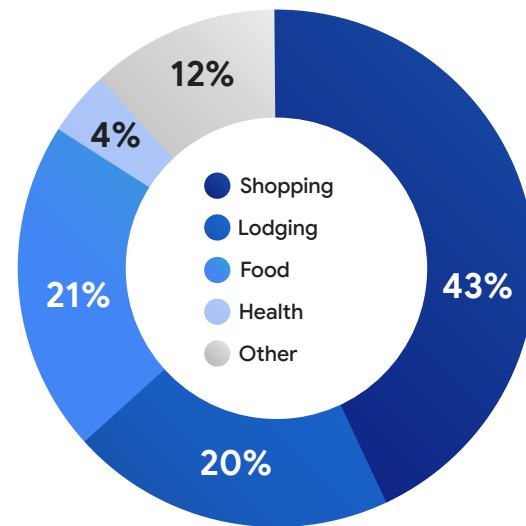
- Middle East
- Europe
- North America
- SEA
- Asia Pacific ex-SEA



### Outbound traveller spend



### Top outbound travel spend categories



Source: Visa, Global, H2'20-H1'24. On this slide, SEA includes KH, BN, and MM in addition to ID, MY, PH, SG, TH, and VN. World regions with low traveller spend have been excluded.