wirecard

2020 Digital Megatrends

Driving digitalization of Singaporean consumers

In partnership with

BLACK BOX

Report contents

Eric Tan
General Manager
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wirecard

Foreword

Digitalization has transformed every aspect of our lives, and affected every industry—retail, financial services, travel, and many more. The world is evolving as technology advances, and consumer expectations are changing alongside it.

As a global innovation leader in digital financial technology, Wirecard is spearheading the wave of change and redefining the future of digital payments. Our customers, both businesses and consumers, will always remain at the heart of what we do. We are constantly developing new innovative solutions for seamless digital payment to meet the changing needs of our customers.

Wirecard and Blackbox Research embarked on this collaborative partnership to uncover some of the key megatrends in Singapore that we see as catalysts for change within the digital world. This report offers insights into areas such as the rise of super apps, intelligent voice assistances, unified and frictionless commerce experiences, data privacy vs. personalization, and the future of payment.

The findings from this report reflect an ongoing shift in behavior and expectations among Singaporean consumers, driven by digitalization. The way consumers perceive and adopt technology and their expectations of brands have changed dramatically, and we see this as a huge opportunity for companies to bridge the gap and leverage digital technology to enhance the customer experience. We believe that these six megatrends will continue to drive change within the payments industry, and digital technologies will play a significant role in an organization's ability to evolve alongside consumer expectations.

David Black
CEO Owner
Blackbox Research

Foreword

Despite its relative youthfulness as a nation, Singapore's willingness to take chances and embrace change has marked its rapid progress into the ranks of leading global economies. The new era of digitalization is no different—Singapore is looking to transform itself into a smart nation par excellence and join a leading group of societies that are already maximizing the opportunities afforded by digitalization.

Our research collaboration with Wirecard reveals Singapore to be a nation with a healthy appetite for new digital products and services while remaining discerning. Digitalization, in and of itself, is no longer sufficient—our insights show that Singaporeans increasingly demand a seamless user experience as well as greater security.

It is also evident that Singaporean consumers are looking ahead and are willing to try out new digital products, whether they are wearables, voice-activated transactions, or social commerce. Businesses that once existed in a well-defined sector may see things shift with new entrants emerging from various sources. Indeed, we are already seeing traditional institutions and companies venture outside their traditional terrain to protect their customers and embrace new technology to enhance business growth.

Blackbox is proud to have had the opportunity to collaborate on this research with Wirecard, a company at the forefront of global digital innovation and transformation.

Digital technology has blurred the lines between online and offline worlds

Technology has found its place in today's society. It has become an intrinsic part of consumers' lives, embedded deeply in how they work and live.

2020 will bring in the next stage of technological evolution with the development of emotionally intelligent, hyper-intuitive interfaces that will transform both businesses and consumers' lives in unprecedented ways.

With over 90% Internet penetration, Singapore is rapidly expanding ways in which digital technology can reshape consumer behaviors.

To understand how consumers in Singapore perceive and react to the digital evolution, we conducted the Consumer Digital Outlook Survey. The study explores Singaporean consumers' attitudes, preferences, and perceptions towards digitalization in various aspects of their everyday lives, as well as their appetite for new digital initiatives.

In this report, we present the digital megatrends of 2020, uncovering how Singaporean consumers intend to adopt technologies into their lives. Several trends are responses to current need gaps, while others represent technology-specific dimensions of business opportunities. All trends are poised to drive change in the marketplace.

Study details

Sample size
1,007 consumers
across all demographic groups to ensure a representative sample across gender, age, ethnicity, and income.

Fieldwork period
February 2020

Megatrend #1
The rise of super apps

Significant adoption of super apps exists among Singaporean consumers who are using them in their daily lives to engage with each other, with brands, and to make purchases.
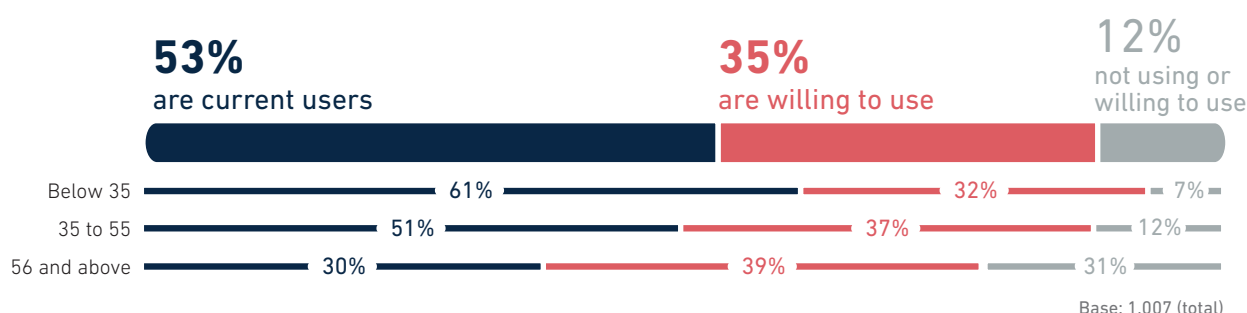
What is a super app?

Super apps are stand-alone, multi-service mobile applications that enable users to perform several functions on a single platform. Some of the popular super apps are WeChat, Alipay, Grab, and Gojek.

These applications began their journey serving one basic and essential purpose, such as delivery and ride-hailing, but have since successfully evolved into multifunctional ecosystems with built-in messaging, commerce, and payment functions.

Market potential for super apps

Singaporeans' current usage of or willingness to use super apps

More than half of Singaporeans (53%) are currently using super apps, with a third (35%) keen on trying them in the next year.

53% are current users   **35%** are willing to use   **12%** not using or willing to use

	Current users	Willing to use	Not using/willing
Below 35	61%	32%	7%
35 to 55	51%	37%	12%
56 and above	30%	39%	31%

Base: 1,007 (total)

As **digital natives**, younger Singaporeans are the driving force behind the popularity of super apps in Singapore; 61% of those aged 35 and below are current users. Interestingly, a higher proportion of those aged 35 and above are keen to use these apps in the next year.

Coined by Marc Prensky in 2001, **digital natives** refers to the generation that grew up in the era of ubiquitous technology, such as computers, smartphones, and more importantly, the Internet. Technology is an essential part of their everyday lives.
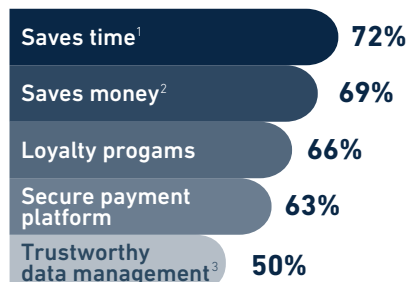
With Singapore's extremely high mobile penetration rate (76% in 2018*), digital natives are creating huge demands for a digital lifestyle, be it shopping, connecting with loved ones, or accessing daily necessities.

* Source: Statista, 2019

Consumers today value the convenience and efficiency that super apps can offer. Our study shows that saving time (72%) and saving money (69%) are the main reasons why Singaporeans use super apps.
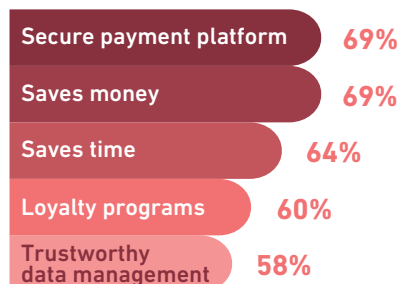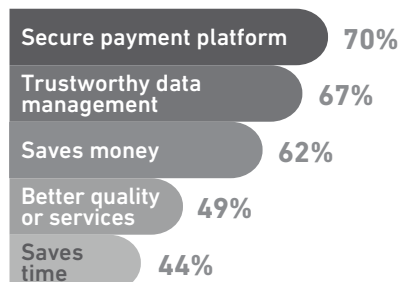
Top reasons for using super apps

Current users

Saves time[1]	72%
Saves money[2]	69%
Loyalty progams	66%
Secure payment platform	63%
Trustworthy data management[3]	50%

Base: 537

Potential users

Secure payment platform	69%
Saves money	69%
Saves time	64%
Loyalty programs	60%
Trustworthy data management	58%

Base: 349

Unwilling to use

Secure payment platform	70%
Trustworthy data management	67%
Saves money	62%
Better quality or services	49%
Saves time	44%

Base: 121

LEGEND

[1] Helps to save time as super apps are fuss-free and convenient.

[2] Consumers can save money through promotions and discounts from affiliates.

[3] Personal data stored in the app is done in a safe and trustworthy manner.

Top five considerations for using a super app platform

Singaporeans are practical shoppers and are constantly on the hunt for the best bargains. Hence, current users of super apps prefer to use them to save time (72%) and money (69%). Loyalty programs (66%) are another key feature of super apps that entice consumers. From cashback schemes to timed discounts, super apps are leveraging these programs to encourage consumers to use their services more frequently.

An additional reason for the popularity of super apps is their secure payment capabilities (63%). Super apps essentially act as a trusted partner between the consumer and the merchant. The consumer trusts the platform with their personal data and financial information and in return expects a secure system with robust data management policies in place (50%).

A secure payment platform is also essential to potential consumers and non-users of super apps. Their hesitation in adopting the service due to security concerns calls for stronger action from platform providers to address the consumer's doubts and simplify the process. Businesses can also give assurance by leveraging word of mouth from current users to boost the platform's credibility.

At the end of the day, trust is the underlying factor in all businesses, particularly for financial transactions.

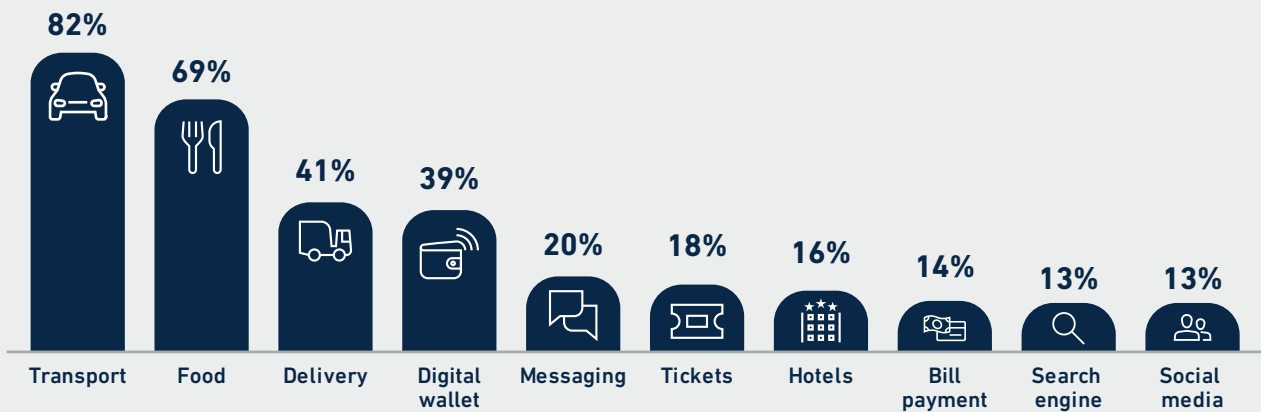## Super apps will reach new heights in the years to come.

Super apps have become increasingly ubiquitous in just a few years. As they expand and add new services, they have the potential to improve lives and transform various industries, such as banking, transportation, and retail.

Our research shows that 88% of Singaporean consumers are willing to try new features in super apps.

Super apps: usage and adoption of features

Features of super apps that Singaporean consumers currently use
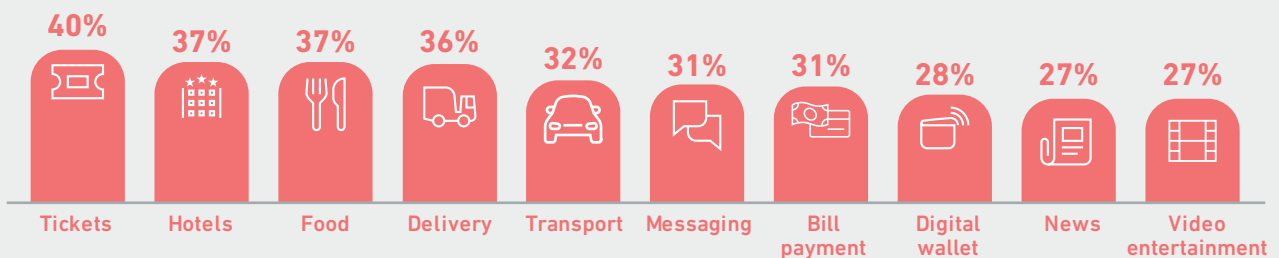
Although super apps come bundled with multiple products and services, most Singaporeans today tend to use only the basic functions such as transport (82%) and food delivery (69%).

82%	69%	41%	39%	20%	18%	16%	14%	13%	13%
Transport	Food	Delivery	Digital wallet	Messaging	Tickets	Hotels	Bill payment	Search engine	Social media

Base: 537 (all current users of super apps)

Features of super apps that Singaporean consumers are likely to try in the next year

Features related to leisure and entertainment were the top picks among Singaporean consumers, with 40% interested in ticketing and 37% keen on hotel bookings. Beyond the usual food and delivery functions, nearly one in three Singaporeans want to explore payment service features such as bill payment (31%) and digital wallets (28%).

40%	37%	37%	36%	32%	31%	31%	28%	27%	27%
Tickets	Hotels	Food	Delivery	Transport	Messaging	Bill payment	Digital wallet	News	Video entertainment

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

Conclusion

Super apps started off as solo applications offering users access to frequently used basic services, such as messaging and ride-hailing. They continue to grow, acquire users, and collect data before expanding to new sectors, including payment and entertainment.

Today, over half of Singaporeans use super apps, with a third keen to try them in the next year. Consumers value the convenience and simplicity that super apps offer; instead of having multiple apps for ordering food, ride-sharing, and payment options, consumers just want one.

Even though super apps are very popular, the majority of Singaporeans only use basic functions, such as transportation and food delivery. These core services have razor-thin margins and apps need to scale up to be sustainable. To succeed, super apps must gain critical mass, retain users, and attract new consumers to their platforms.

Super apps have progressively added service features such that their utility has become intertwined in consumers' daily lives. Our research shows that Singaporeans, both current and potential users of super apps, are willing to give new app features a try. Popular functions include ticketing (40%), hotels (37%), bill payment (31%), and digital wallets (28%).

Today, various industries including finance, healthcare, and wellness are constantly innovating to expand their existing market share. Developing their own super app is one of the solutions that many are eagerly exploring. By offering transactional capabilities, paired with a loyalty program, across multiple services within a single app, brands can offer their customers a seamless experience while retaining their competitive edge over other players in the market.
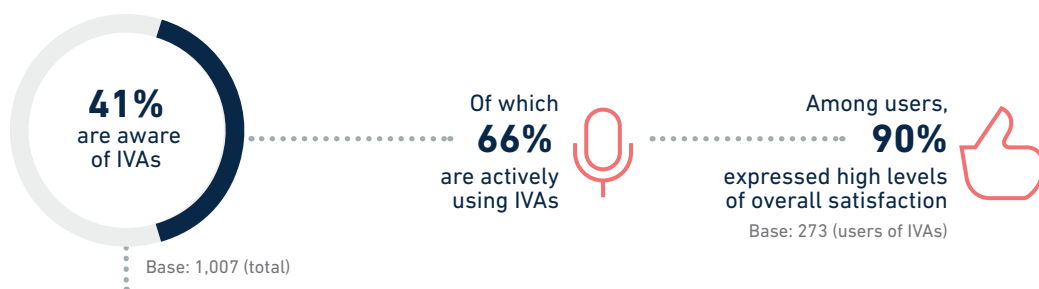
Megatrend #2

A future enabled by voice

Intelligent virtual assistants (IVAs), powered by voice, are here.
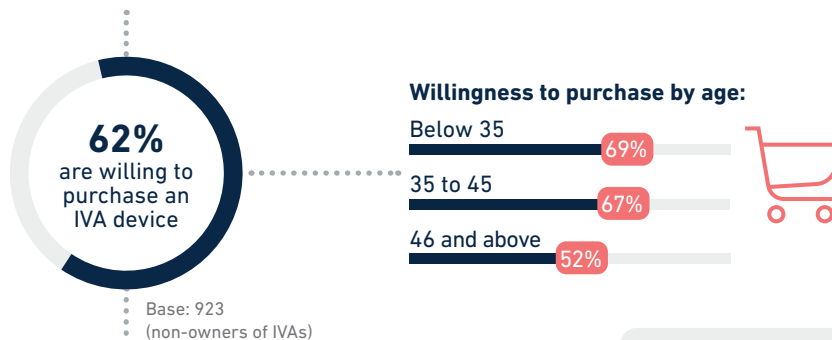
Awareness and Ownership of IVAs

Of the 1,007 Singaporean consumers interviewed, 41% are aware of voice-enabled IVAs. Among those who are aware, 66% are current owners and active users of IVAs, and a vast majority (90%) reported high levels of overall satisfaction with their experience.

41%
are aware
of IVAs

Base: 1,007 (total)

Of which
66%
are actively
using IVAs

Among users,
90%
expressed high levels
of overall satisfaction

Base: 273 (users of IVAs)

Likelihood of Singaporeans purchasing an IVA device

We explained the concept of IVA devices to Singaporean consumers. Nearly two in three (62%) expressed interest in purchasing one. The intent to purchase is largely driven by young millennials.

62%
are willing to
purchase an
IVA device

Base: 923
(non-owners of IVAs)

Willingness to purchase by age:

Below 35 — 69%

35 to 45 — 67%

46 and above — 52%

Smartphones today are packed with cutting-edge technologies and one of the most exciting developments is a voice user interface.

Users today can "speak" to their phones thanks to the **intelligent virtual assistants (IVAs)**, which can interpret human speech. They respond with a synthesized voice to perform functions on the device or even control other devices.

Some popular IVAs include Siri (Apple), Alexa (Amazon), and Bixby (Samsung).
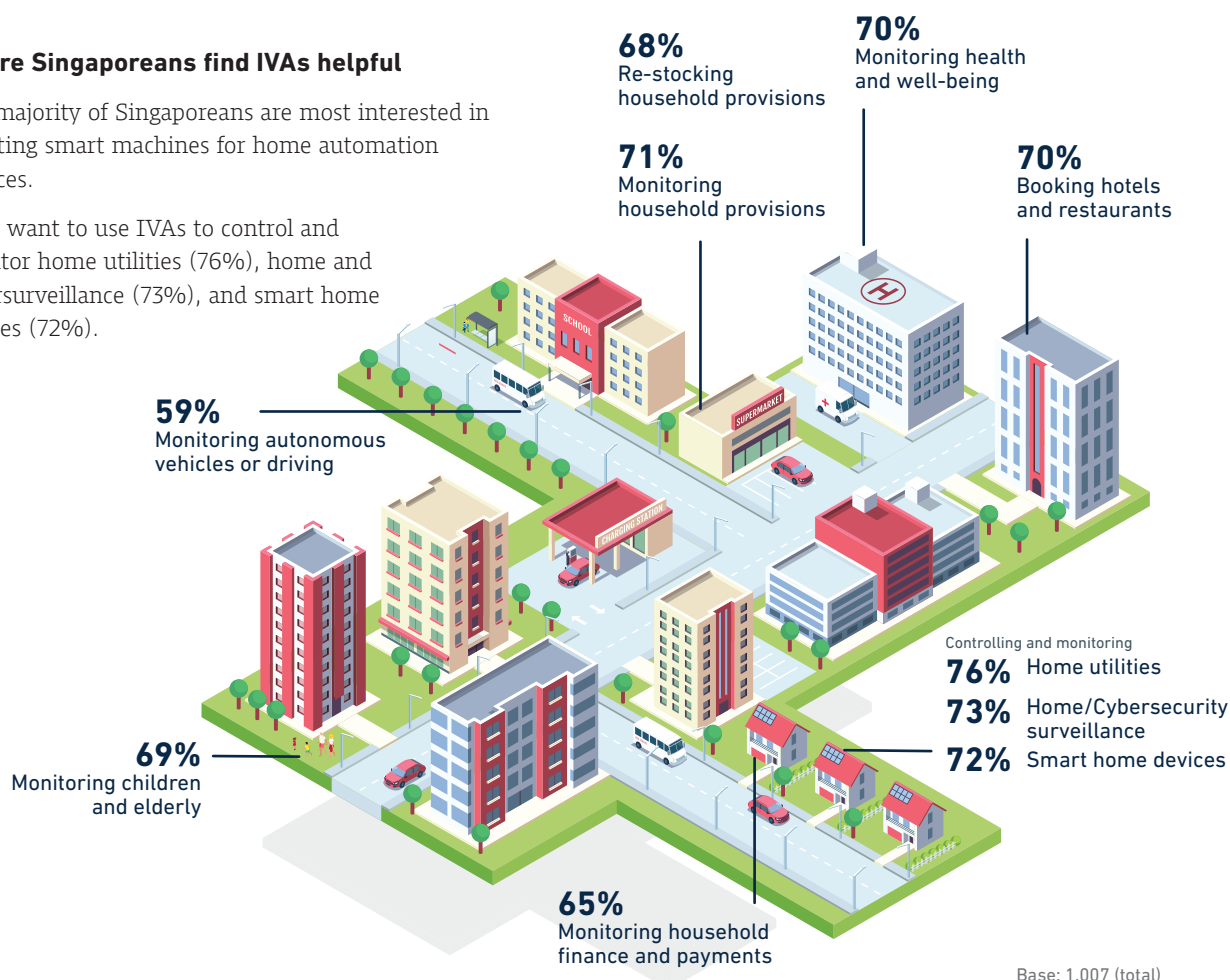
Virtual assistants will revolutionize home automation.

To the tech-savvy consumer, time is money. Smart machines will assist with multi-tasking and menial tasks, freeing up valuable time.

Where Singaporeans find IVAs helpful

The majority of Singaporeans are most interested in adopting smart machines for home automation services.

They want to use IVAs to control and monitor home utilities (76%), home and cybersurveillance (73%), and smart home devices (72%).

68%
Re-stocking household provisions

71%
Monitoring household provisions

70%
Monitoring health and well-being

70%
Booking hotels and restaurants

59%
Monitoring autonomous vehicles or driving

Controlling and monitoring
76% Home utilities
73% Home/Cybersecurity surveillance
72% Smart home devices

69%
Monitoring children and elderly

65%
Monitoring household finance and payments

Base: 1,007 (total)

⁺⁺ Conclusion

The act of speaking to a phone and receiving an intelligent response once belonged to the realm of science fiction. Technological advances have made this a reality. Our research shows that more than half of Singaporean consumers (62%) are eager to adopt this technology in their everyday lives.

In an agile and evolving digital world where speed, efficiency and convenience are constantly optimized, IVA interfaces will quickly advance. From our study, we see that industries, ranging from home automation to healthcare and banking, should get ready to capitalize on this trend.

Nearly every tech giant has declared their interest in this area as well. In 2019, Facebook confirmed that it would be releasing an AI-powered IVA for its Portal and Occulus products. Reality is starting to merge with science fiction and Singaporean consumers are looking forward to being part of the next wave of technology innovation.

Megatrend #3

Customer experience will be at the epicenter of business transformation

Offering a great customer experience may be the only way brands can stand out in a saturated market.

Proactive customer service, personalized interactions, and a seamless experience that is connected across channels are crucial to a great experience that nurtures customer loyalty.

▌ Reasons for recommending a brand

Singaporean consumers' top five reasons to recommend a brand

While quality products and services (61%) and competitive prices (58%) are key factors in customer loyalty, friendly service (35%) also matters in driving loyalty.

61% Quality products and services

58% Competitive prices

35% Friendly customer service

34% Large variety of products and services

28% Convenient locations / shipping

Base: 1,007 (total)

Singaporean consumers' sentiments on how they interact with and feel about brands

More than three in four Singaporean consumers are likely to walk away from a brand as soon as they have a bad experience. Today, customer experience has become so relevant that two in three consumers are willing to pay more to receive exceptional service.

In today's fast-paced and ever evolving digital world, developing a meaningful customer experience should be a critical part of any business strategy.

78% Would abandon a brand as soon as they have a bad experience

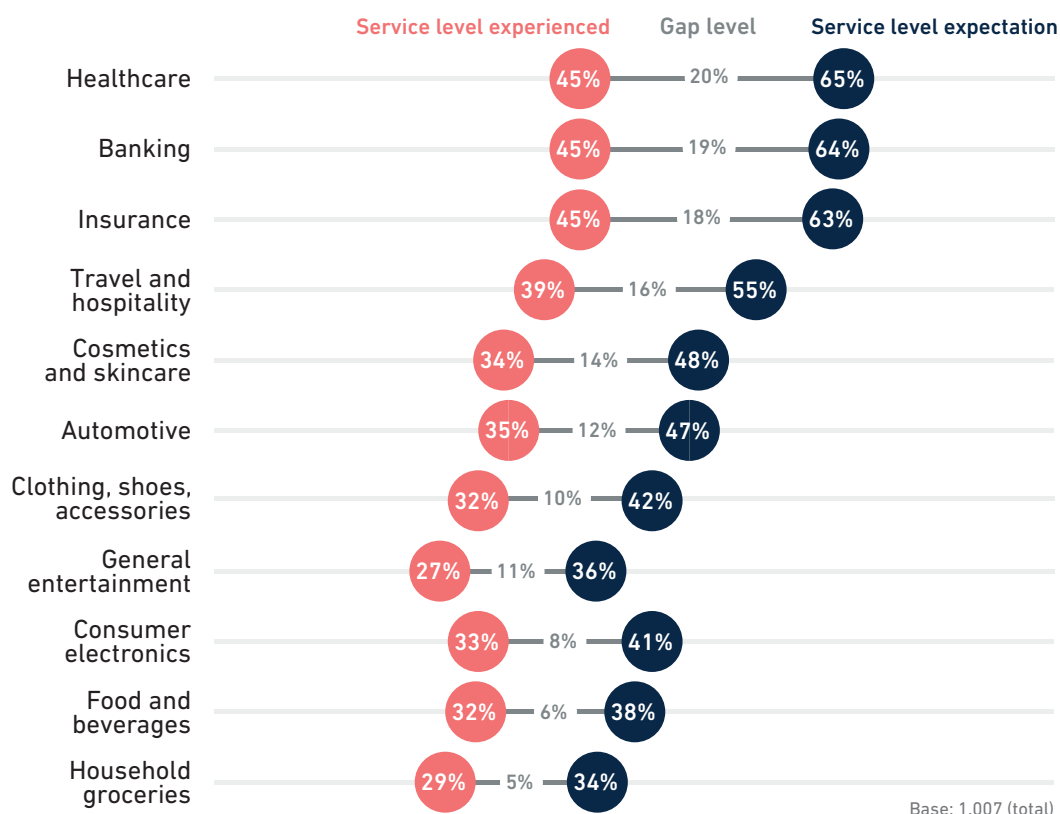**60%** Willing to pay more to receive a better customer experience
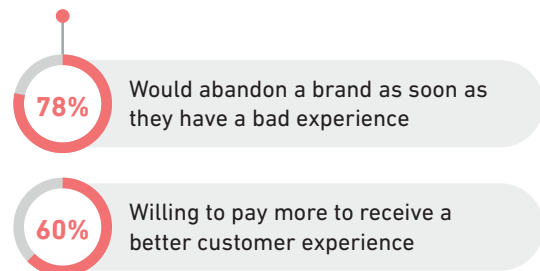
Base: 1,007 (total)

Customer centricity: bridging the gap between experience and expectations

Service level: Experience vs. expectations

Level of personalization consumers expect versus what they have experienced

Our study shows that the top sectors where consumers have the highest service expectations are healthcare (65%), banking (64%), and insurance (63%). However, their expectations seldom translate into reality—these sectors also have the highest gap in service experience vs. expectation.

	Service level experienced	Gap level	Service level expectation
Healthcare	45%	20%	65%
Banking	45%	19%	64%
Insurance	45%	18%	63%
Travel and hospitality	39%	16%	55%
Cosmetics and skincare	34%	14%	48%
Automotive	35%	12%	47%
Clothing, shoes, accessories	32%	10%	42%
General entertainment	27%	11%	36%
Consumer electronics	33%	8%	41%
Food and beverages	32%	6%	38%
Household groceries	29%	5%	34%

Base: 1,007 (total)

Conclusion

Today, building customer loyalty is essential to maintaining brand competitiveness. Our study shows that three in four consumers would switch brands after a bad experience. In fact, experience has become such a focal point for consumers that two in three are willing to pay a premium for superior customer experience.

However, ensuring a positive customer experience is not an easy task. Our study highlights a gap between service delivery and customer expectations—across the 11 sectors surveyed, consumers indicated that none had managed to match or exceed their expected service level. To close the expectation-experience gap, brands need to truly understand what the customers need and redesign their services to meet their expectations. Brands also need to be more proactive in leveraging the power of technologies such as social media and digital technology to enhance their experience at every step of the customer journey.

In 2020, service will play a pivotal role in helping businesses exceed customer expectations and drive brands into delivering exceptional experience and satisfaction.

Megatrend #4

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

Singaporean consumers want the ability to shop seamlessly across channels and expect retailers to provide a unified commerce experience.

Shopping journey: A unified commerce experience

Singaporean consumers' preferred channels at each stage of their shopping journey

According to our research, Singaporean consumers tend to move from one channel to another throughout their shopping journey. While a majority of consumers start by browsing or researching online (78%), there is a near equal preference for online (58%) and offline (42%) purchases.

74% of consumers also favor having their products delivered, whereas the preference for returns is almost the same for in-store (54%) and self-mail out (46%).

Browsing
78% online

58% online
Purchase

Receiving
74% at home

54% in-store
Return

Base: 1,007 (total)

In our fast-moving society, consumers expect to be able to make their purchase anytime, anywhere. Our study shows that brands that leverage the strengths of both physical and digital touchpoints will thrive. By giving consumers the freedom to shop at their convenience, brands can expand their reach and attract a wider range of customers, from the digitally native youths to the more traditional baby boomers.

Narrowing the gap between physical and digital touchpoints also helps brands eliminate potential confusion that consumers may encounter, hence maximizing their satisfaction and encouraging them to make repeat purchases.

Creating a unified commerce experience that integrates both offline and online channels is a challenge for many retailers. They need to accurately assess the missing gaps and take the necessary action to rectify them. By putting themselves in their consumers' shoes and constantly finding more ways to enhance the shopping experience, retailers can strengthen their businesses and thrive in their fiercely competitive industry.

Across categories, consumers seek a seamless experience that integrates physical and digital channels.

Given that it is a relatively nascent concept, adoption of an integrated customer experience is not widespread. We anticipate that this will change as businesses reposition themselves and revise their strategy to maintain their competitiveness and keep up with evolving consumer demands.

Categories where a unified commerce approach is needed

Singaporean consumers' top five sectors that should offer a seamless experience

46%
Banking

34%
Travel and hospitality

33%
Food and beverages

31%
Healthcare

31%
Clothing and accessories

Base: 1,007 (total)

Banking is one of the key sectors undergoing rapid integration between physical and digital channels. Nearly one in two respondents expressed a desire for a true omnichannel banking experience that would allow them to switch seamlessly between multiple channels.

✛ Conclusion

Singaporeans love to shop—for them, shopping is a journey in pursuit of the best deals. Our study highlights that 78% of shopping journeys begin with online browsing, then move between online and offline channels throughout the rest of the shopping journey.

Consumers prefer a consistent and integrated experience across both online and offline channels. To achieve that, consolidating sales channels and back-office processes is key. Unified commerce can provide flexibility, continuity, and consistency across digital and physical channels to deliver a superior customer experience. This consistency will encompass all phases of the customer's shopping journey, including browsing, transacting, acquiring, and utilizing a product or service.

In 2020, we expect to see an increasing number of businesses adopt a unified commerce approach that offers online-offline integration, where customers can fully engage with the brand. In particular, our study identifies banking (46%), travel and hospitality (34%), and food and beverages (33%) as the top sectors where consumers expect a seamless and hassle-free experience.

In order to have an effective unified commerce strategy, 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.
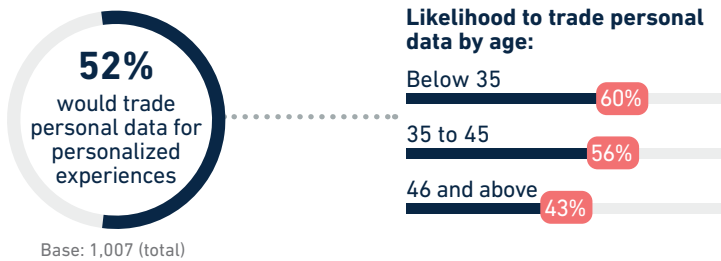
Megatrend #5
Singaporean consumers are willing to share personal data in exchange for personalization

Enhanced service offerings and superior customer experience are the key motivations for sharing personal data.

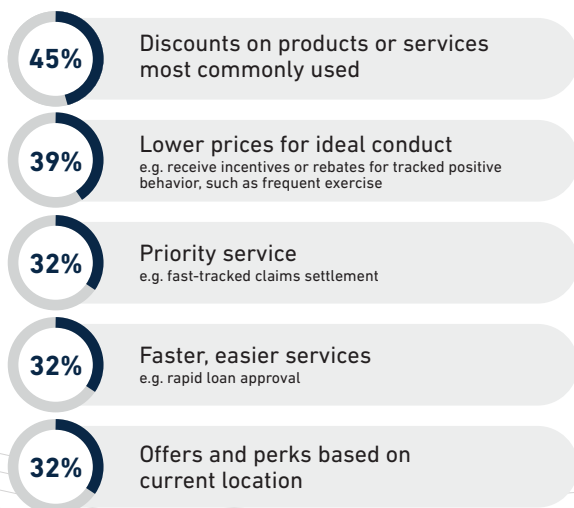**Singaporeans' sentiments towards sharing personal data**

More than half of Singaporean consumers are willing to share their personal data in return for a degree of personalization. The discussion over personalization vs. privacy is likely to continue as millennials opt for better experiences and services despite privacy concerns.

52%
would trade personal data for personalized experiences

Base: 1,007 (total)

Likelihood to trade personal data by age:

Below 35
60%

35 to 45
56%

46 and above
43%

Top five expectations for sharing personal data

What do Singaporeans expect in return for sharing personal data?

Nearly half (45%) of Singaporean consumers are willing to share their personal data in exchange for cost savings. Consumers are also open to giving access to businesses to track their behavior (39%) through applications or devices such as activity trackers in return for rewards.
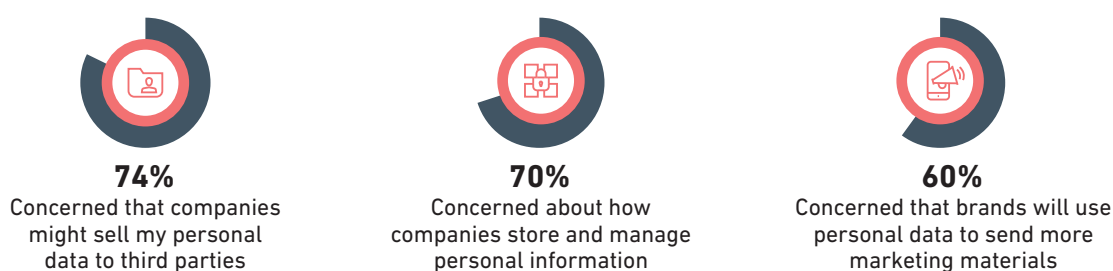
45% Discounts on products or services most commonly used

39% Lower prices for ideal conduct
e.g. receive incentives or rebates for tracked positive behavior, such as frequent exercise

32% Priority service
e.g. fast-tracked claims settlement

32% Faster, easier services
e.g. rapid loan approval

32% Offers and perks based on current location

Base: 1,007 (total)

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

Consumers' data privacy concerns

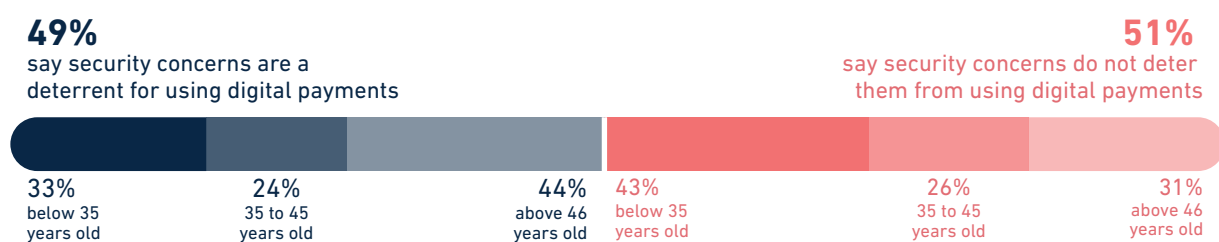**Singaporean consumers' key considerations when sharing personal data**

The majority (74%) of consumers worry that their personal data may end up with third parties. 70% of consumers are also concerned about the storage and management of their personal information.

74%
Concerned that companies might sell my personal data to third parties

70%
Concerned about how companies store and manage personal information

60%
Concerned that brands will use personal data to send more marketing materials

Base: 1,007 (total)

Singaporean consumers' sentiments towards digital payment usage

Security concerns play such a big role in consumers' minds that it is one of the main deterrents for adoption of digital payment methods. This holds especially true for more mature consumers.

49%
say security concerns are a deterrent for using digital payments

51%
say security concerns do not deter them from using digital payments

33% below 35 years old	24% 35 to 45 years old	44% above 46 years old	43% below 35 years old	26% 35 to 45 years old	31% above 46 years old

Base: 1,007 (total)

Conclusion

Businesses everywhere are constantly collecting data on their consumers for their marketing activities. They leverage these customer insights for targeting and personalization purposes such as discounts, free shipping, and referral programs. Our study shows that consumers are willing to share their personal details in exchange for these tangible benefits.

However, businesses must be careful in handling private information when personalizing customer experience. Consumer awareness and sensitivity towards data privacy has also increased due to the rise of data protection laws such as the Personal Data Protection Act (PDPA) and the General Data Protection Regulation (GDPR). Hence, trust in data security is the key factor in customers' willingness to share personal information. Concerns range from businesses selling their data to third parties, resulting in spam mail, or mismanagement of their personal information.

To instill greater consumer trust and confidence, businesses must safeguard their customers' data with the highest levels of security. It is necessary to assure customers by being transparent and seeking consent whenever third parties are involved. Data privacy should be viewed as a competitive differentiator in the overall customer experience and not another item on the compliance checklist.

Megatrend #6

New technologies will accelerate change in the digital payment space

From voice-activated payment to wearables and mobile wallets, the next phase of digital payment beckons.

Four areas of growth in digital payment

Singaporean consumers' current usage and willingness to adopt digital payment methods

The digital payment landscape in Singapore is undergoing a revolutionary change as new players and technologies appear on the scene. Consumers have become more tech-savvy, with higher expectations for making digital payments. To understand their demands, we measured the current and future adoption of popular cashless methods.

Voice-activated payment

34% intend to use   **14%** current users

AI-powered voice control is the next emerging trend in mobile consumer payment, with strong revenue implications for major retailers, banks, and tech companies. Adoption trends indicate that consumers are now ready to take things to the next level, opening up new opportunities for digital payment.

e.g. Amazon Pay via Alexa

Social commerce

32% intend to use   **28%** current users

The growth of social media as a communication and e-commerce platform has reshaped the way people interact and make transactions around the world. As these platforms evolve, they are likely to integrate digital payment functions into existing services or enable users to make online purchases directly through the app's interface.

e.g. WeChat, Alipay

Wearables

32% intend to use   **31%** current users

Adoption of wearable technology is rising fast, with immense room for customization and diverse possibilities. Interconnected wearables will offer boundless opportunities as they integrate seamlessly into our digital lifestyles. We foresee wearables becoming the cornerstone for safe, authentic, trustworthy, and secure payment.

e.g. smartwatches, rings

Mobile wallets

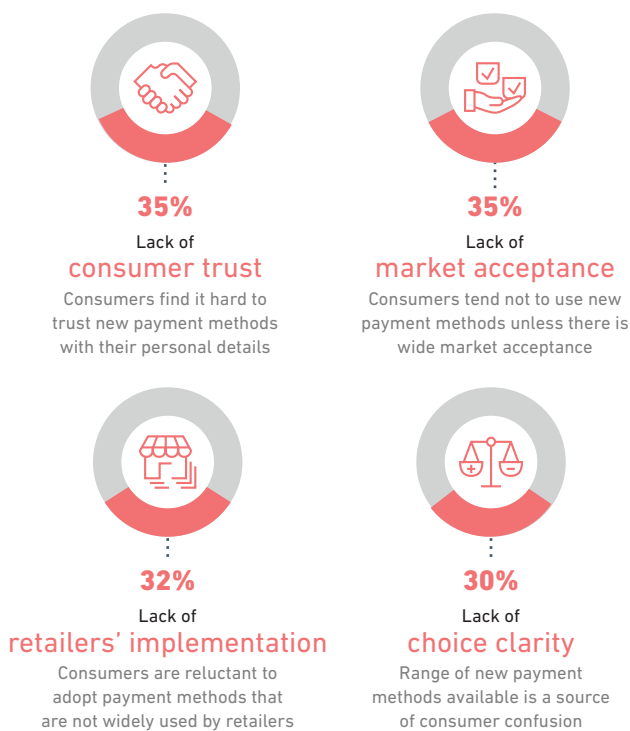**19%** intend to use   **60%** current users

More than a dozen digital wallets, such as GrabPay and Alipay, currently exist in Singapore, operating as extensions of commercial bank services or as independent e-wallets. Most mobile wallets are brand and company specific, and experts have predicted that in the coming years, more companies will launch their own digital wallets.

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

Base: 1,007 (total)

While new digital payment platforms are set to dominate the payment space, their growth is limited by fundamental challenges such as trust and security.

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

Base: 780 (not willing to adopt digital payment method[s])

Trust is the foundation of any payment system; it plays a critical part in fostering widespread acceptance of any new payment platform. 35% of consumers who have not adopted the new payment methods cited difficulty in trusting these platforms with their personal details.

Consumers are also not ready to use new payment methods unless there is market acceptance and wide usage amongst retailers. Another challenge that consumers face is the lack of choice clarity, where they have numerous payment options but insufficient knowledge about them.

As we witness the evolution of payment methods from paper to electronic, developing consumers' trust is essential in the payments arena. A classic example of how e-wallets gained widespread legitimacy was when Apple and Samsung introduced digital wallets to their mobile devices. By leveraging their existing integrated user platforms, both tech giants played a pivotal role in convincing consumers and retailers to start implementing and using contactless payment.

Conclusion

Singaporeans are already going cashless for most of their daily transactions. Findings from our study indicate that more than 30% of Singaporean consumers are keen to explore wearables, voice-activated payment, and social commerce platforms in the next year. With consumers eager to explore more efficient ways of paying, new technologies will play a crucial role in driving the growth of digital payment.

Yet one in three Singaporeans find it hard to trust new payment methods, highlighting the importance of instilling confidence as a first step towards success. To bridge the trust gap, companies have to improve personal data management policies to ensure that they are both transparent and user-friendly.

As demand and usage grows, Singaporeans' expectations for an integrated and secure payment platform will continue to evolve. Retailers need to rethink their payment processes to create a seamless experience for consumers, while payment providers should strike a balance between a simplified user experience and security.

Epilogue

These are exciting times for
Singaporean consumers.

Growth in smartphone technology is paving
the way for an increasingly digital lifestyle.

Through our study of over 1,000 Singaporeans, we uncovered six megatrends which will influence the way we live, work, and transact in the digital world.

Firstly, a key trend among businesses and consumers is **the rise of super apps**. These apps have evolved from providing simpler, singular services like ride-hailing and food delivery to a full suite of services such as payment. They have unlocked a seamless mobile lifestyle, allowing consumers to perform multiple tasks on a single app. Singaporeans love these all-in-one apps due to their convenience and speed, and are willing to try new features. We see a huge opportunity for various industries including retail, finance, healthcare, and wellness.

Another exciting development is the use of **intelligent virtual assistants (IVAs)** in smart devices. Leveraging artificial intelligence, IVAs can learn and respond to our verbal requests. This is the start of a new wave of voice interface technologies and Singaporeans have expressed significant interest in using IVAs to manage their homes. To harness the potential of voice technology, businesses should prepare for this next wave of technology innovation.

Our findings also revealed a **shift in consumer expectations**—a high-quality product or cheaper price tag is no longer enough. Singaporean consumers today expect exceptional customer service, and are willing to pay a premium for it. To earn their loyalty, brands will have to review their business processes and realign their strategies to deliver an outstanding experience.

In addition, Singaporean consumers tend to switch between offline and online channels throughout their shopping journey. Businesses need to adopt a **unified commerce approach** that integrates both offline and online channels in order to drive a consistent and integrated experience. According to our research, banking, travel and hospitality are the top sectors where customers expect a seamless and hassle-free experience.

Security is also a key aspect of customer experience. Although Singaporean consumers are willing to share their personal data in exchange for a personalized experience, **data protection and security remain a concern**. With a growing awareness among consumers towards personal data collection and usage, businesses need to be transparent and safeguard their customers' data with the highest level of security. This in turn helps to build and retain their customers' trust.

Looking ahead, there is **great potential for new technologies in the digital payment space**. A majority of Singaporean consumers are keen to explore new digital payment methods such as wearables or voice-activated payment. As Singapore makes its way towards a cashless society, businesses need to invest in new technologies and drive a customer-centric approach in order to keep pace with a changing world.

About Wirecard

Wirecard (GER:WDI) is one of the world's fastest growing digital platforms in the area of financial commerce. We provide both business customers and consumers with a constantly expanding ecosystem of real-time value-added services built around innovative digital payments by using an integrated B2B2C approach.

This ecosystem concentrates on the areas payment and risk, retail and transaction banking, loyalty and couponing, data analytics and conversion rate enhancement in all sales channels (online, mobile, POS). Wirecard operates regulated financial institutions in several key markets and holds issuing and acquiring licenses from all major payment and card networks. Wirecard AG is listed on the Frankfurt Stock Exchange (DAX and TecDAX, ISIN DE0007472060).

Find out more at www.wirecard.com.

About Blackbox

Blackbox Research is a Singapore based data content specialist. We provide research and affiliated data and communications services for business, government and NGO clients across Asia.

For more information, please visit www.blackbox.com.sg.