Digital ASEAN: On the threshold of transformation

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In a world where an ever-widening competitiveness gap is being forged between digital followers and digital transformers, **which path will your business take?**
Digital technology is driving change

Mobility

Digital Platforms

Artificial Intelligence

Robotics

Social Media

Big Data & Analytics
It is impacting all aspects of our lives:

- Shopping
- Entertainment
- Education
- Exercise
- Travel
- Payments
Whole industries are being disrupted

<table>
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<tr>
<th>Industry</th>
<th>Incumbents</th>
<th>Attackers</th>
<th>Why it matters</th>
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<tr>
<td>Banking</td>
<td>HSBC, DBS, Mandiri</td>
<td>LendingClub, Square</td>
<td>Up to 30% of bank revenues at risk</td>
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<td>Retail</td>
<td>ISETAN, PowerBuy</td>
<td>Amazon.com, Alibaba</td>
<td>Mobile/Pinterest users purchase twice as much as online or in-store shoppers</td>
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<td>Energy</td>
<td>PTT, Singapore Power, OPower</td>
<td>Nest</td>
<td>313M smart meters installed globally; 1.1B by 2020</td>
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<td>Communications</td>
<td>Singtel, Celcom</td>
<td>Whatsapp</td>
<td>Whatsapp eating 50-90% of voice / SMS revenues</td>
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<td>Hospitality</td>
<td>Marriott, Shangrila, Lanson</td>
<td>Airbnb</td>
<td>AirBnB valuation higher than most hotel chains, over 11mm stays and 750K listings</td>
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It is shifting the ‘control’ across the value chain and ASEAN’s digital-savvy consumers are taking advantage

96% of ASEAN consumers are using online channels to learn more about products and services.

77% say online channels offer more convenience and choice.

64% read online reviews and comments from other consumers.

43% are more likely to do business with a company that they know they can interact with in a social media environment.

46% of ASEAN consumers share experiences and write comments about brands online regularly.

86% of consumers in ASEAN use at least one online channel for service requests.

Source: Accenture Global Consumer Pulse Research 2014
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And it sometimes disrupts traditional business models to previously unimaginable levels.

**UBER** valued at the **SAME amount** as **DELTA AIRLINES**.
The accelerated pace of digital market competition make digital transformation a core assumption of any future business strategy. Is your organization ready to respond?
Leaders are taking advantage of digital throughout their organizations

Internet of Me

Outcome Economy

Platform (R) evolution

Intelligent Enterprise

Workforce Reimagined
The Internet of Me:
Our world, personalized.
Placing the end user at the center of every digital experience through delivering highly personalized experiences

- Experience matters most
- Beyond mobility
- Rising consumer demand
- Contextual experiences
- Personalization everywhere
Outcome Economy:
Hardware producing hard results.
Enabling a new business models that focus on creating value by delivering quantifiable results through the Internet of Things (IoT)

- Hardware is approachable
- M2M economics
- Sensor efficiency
- M2M standards
- Ubiquitous bandwidth
Platform (R)evolution:
Defining ecosystems, redefining industries.
Deploying digital platform strategies to improve collaboration and stay ahead of the game in the ‘we’ economy

- Digital outpacing GNP
- Rise of platform-based companies
- Digital disruption
- Cloud economics
- Everyone’s playing field
- Power of APIs
Intelligent Enterprise:

Huge data, smarter systems—better business.
Intelligent Enterprise

Enabling the enterprise by leveraging analytical and cognitive technologies to turn data into actionable insights

- Rising digital complexity
- Unprecedented data volumes
- Decreasing cost of storage
- Virtually unlimited compute power
- Advances in data science
Workforce Reimagined:

Collaboration at the intersection of humans and machines.

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Building a new workforce by having humans and machines integrated in new ways

- Maturing technology.
- Human-like interactions
- Fast ROI
- Improved efficiency
- Important use cases such as worker safety
Disney’s MagicBand is an all-in-one device on the wrist that helps connect with park goers to all the vacation choices that they have made online with My Disney Experience. Can be used to:

- Enter a Disney Resort hotel room
- Buy food and merchandise
- Enter Walt Disney theme parks
- Provide FastPass+ access to all the experiences
  Connect to Disney’s PhotoPass
Tesco is rolling out face scanning digital signage at all 450 of its UK petrol stations to tailor engaging and on-screen content to the audience of five million-plus adults who pass through its stations each week.

OptimEyes, the face detection system used, is able to identify and measure characteristics of petrol station visitors to create a more complete target audience profile for advertisers.
Pixie Scientific’s smart diapers

Pixie Scientific has developed smart diapers that analyze patients’ urine to check hydration levels, potential kidney issues and identify signs of urinary tract infections (UTIs). Diaper data is then sent to a caregiver’s smartphone after by scanning a QR code on the front of the diaper.
A future with no regrets

Being a digital business means adopting new ways of behaving and operating.

Ask yourself:

✓ Where could you partner and acquire any ‘missing’ capabilities if building them organically is unlikely to happen fast enough?

✓ Have you identified your organisation’s most digitally savvy employees (often the youngest and most junior) who can help drive transformation?

✓ Do you understand how your customers rate their experiences against their expectations – and how does your company compare with your competitors?

✓ Do you have the right digital team, unconstrained by traditional behaviours, that has a dynamic and innovative mindset to identify upcoming opportunities?

✓ Have you explored at least one potential venture that could seriously hurt your business tomorrow?
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